

Diversity Toolkit

for REALTOR® Associations



A collaboration between the
NATIONAL ASSOCIATION OF REALTORS® and
the California Association of REALTORS®

Dedicated to the Memory of Kelly Braden, 1959-2002



Kelly Braden joined the California Association of REALTORS® in 1999 as its membership development manager. Central to that role was the task of broadening the racial and ethnic composition of the C.A.R. membership, making it more diverse and more reflective of California's increasingly diverse real estate industry and its homebuying public.

She set to work assembling materials describing "what worked" in the realm of diversity and adapting them for use by REALTORS®. Braden was the ideal person for this task. She loved her hometown of Los Angeles precisely because it is so culturally, racially, and ethnically diverse. In fact, Braden spent weekends surfing the city's many local neighborhood festivals – Hispanic, Korean, African American, Japanese.

But Braden was not the typical urban tourist. In addition to the pure sensual joy of wandering the neighborhoods of LA, she also went forth to learn about the realities of life among California's minorities so that she could do a better job helping them become successful REALTORS® and satisfied homebuyers.

The idea soon took hold for the C.A.R. to collect the best of Braden's materials into a "diversity toolkit" that could be distributed to all the local associations. Yet the idea might never have moved beyond the theoretical stage, had it not been for the dedication, energy, and resourcefulness of Kelly Braden, who was in the process of bringing the idea to fruition when she succumbed to lupus in December 2002. She was 43.

It is most appropriate for this toolkit to be dedicated to the memory of the woman whose original vision proved that it could and must be done: Kelly Braden.

Welcome to the Diversity Toolkit

A collaboration between the NATIONAL ASSOCIATION OF REALTORS®
and the California Association of REALTORS®

2008 Edition

Since 2004 the *Diversity Toolkit for REALTOR® Associations* has been an essential resource for state and local REALTOR® associations seeking to understand, reach out to, partner with, and provide services to consumers in today's increasingly diverse communities. The Diversity Toolkit has helped associations of all sizes join the NATIONAL ASSOCIATION OF REALTORS® (NAR) in its commitment to diversifying

its membership and welcoming professionals of different cultural backgrounds into its leadership ranks.

In addition to case studies of successful diversity programs and guides to analyzing your membership and your market, the 2008 edition of the Diversity Toolkit includes an expanded version of NAR's popular publication *Developing Diversity in Leadership of REALTOR® Associations*, showing the benefits of a diverse association leadership through real-life examples. Another new section of the Toolkit, *Planning for All Levels*, walks you through the necessary steps to create a program and presents best practices to help you ultimately incorporate diversity into your association's strategic vision. The Toolkit also profiles a few of the successful diversity programs that received support through NAR's Diversity Initiative Grant Program.

Throughout the Diversity Toolkit, you will learn from the knowledge and expertise of fellow REALTORS®, who share in their own words how associations can gain deeper market access, greater consumer confidence, and a boost of creativity by bringing new and diverse perspectives into their business practices.





The NATIONAL ASSOCIATION OF REALTORS® (NAR), with 1.3 million members, is the acknowledged leader in the development of standards for efficient, effective, and ethical real estate business practices. The Association's Diversity Program, operating within the NAR Government Affairs Division in Washington, D.C., strives to increase member awareness of the impact of diversity on business relationships and opportunities for business growth.

The California Association of REALTORS® (C.A.R.) is the association of choice for real estate professionals in the state of California and the pre-eminent source of essential business services for its 190,000 members. C.A.R. strives to broaden the racial and ethnic composition of its membership, making it more diverse and more reflective of California's increasingly diverse real estate industry and its homebuying public.

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Why a Diversity Program?

Reasons for putting a diversity program at the top of your association's priority list.

The NATIONAL ASSOCIATION OF REALTORS® (NAR) is a proud inheritor of America's long experience with ethnic diversity. REALTORS® who represent or reach out to diverse constituencies have created more opportunities for themselves and their firms, brought new perspectives to their state and local associations, and demonstrated the positive role that REALTORS® can play in communities.

Today's real estate markets are changing rapidly, and to prosper REALTORS® continue to need new skills for handling transactions that involve minority buyers or sellers. NAR serves its members by teaching these skills through the professional development course *At Home with Diversity*®. Equally important, NAR helps state and local associations initiate diversity programs to get their memberships in step with the changing times.

Some may wonder if a special effort is really needed. They feel that their association's doors have always been open to qualified real estate agents, regardless of race or ethnicity. The answer is that **diversity programs make business sense**. Associations with serious, well-planned diversity programs achieve better results than others. As shown in the case studies that begin on page 117, the payoffs include:

- Membership and leadership that reflect the demographic make-up of emerging markets in the community and, therefore, are positioned to sell to those markets;
- A stronger presence in the community, particularly in neighborhoods with high concentrations of foreign-born and other minority residents who are moving up the socioeconomic ladder and buying homes.

Outcomes like these translate into bottom-line benefits because they help to ensure the long-term health and stability of the association. Without an ethnically representative membership, an association risks becoming isolated and perceived as exclusive. This can lead, over time, to dwindling membership. On the other hand, associations that have invested in a diversity initiative typically find themselves with more members and a better grasp of their marketplace than ever before.

Tomorrow's Association Is Diverse

Diversity initiatives have helped these REALTOR® associations to:

Capture emerging markets. "We want to be *the* voice for real estate in Greater Minneapolis," explains Bill Gerst, vice president of public affairs for the Minneapolis Area Association of REALTORS® (MAAR). With that philosophy, MAAR began over 15 years

Case study,
page 147.

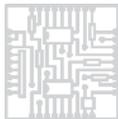


MINNEAPOLIS AREA Association
of REALTORS®

ago to strengthen opportunities for minority members. Today, its thriving Multicultural Network of Real Estate Professionals makes MAAR a familiar presence in the area's emerging markets.

Case study, page 151.

Increase membership. On the West Coast, diversity initiatives have paid off in spectacular membership growth. The Southland Regional Association of REALTORS® (SRAR) added 2,000 new members over the past three years—it's now at over 12,500—because of activities such as a highly popular "multicultural mixer." Says Brian Paul, director of member and community relations, "To be an effective organization, we have to meet the needs of our entire community. If we don't, some other organization will take our place."



Case study, page 133.

Gain positive media attention. In California's Silicon Valley, the Santa Clara County Association of REALTORS® (SCCAOR) discovered through a member survey that one-half of the 1,600 who have joined since January 2002 speak a primary language other than English. The Association has attracted media attention with its success in filling leadership positions with professionals of diverse national origins.

Create opportunities. Even small associations now consider diversity initiatives essential to their long-term survival. The demographic composition of the Rancho Southeast REALTORS®, pictured on page 5, is typical of many West Coast boards. Yet diverse markets exist in a growing number of states. An example is central Tennessee, where an influx of Spanish speakers is motivating the Williamson County Association of REALTORS® to offer its members courses in language skills and cultural sensitivity. "We are attempting to help our members understand that by diversifying their client base they create more opportunities," says former CEO Helen Carter. "These opportunities multiply."



Case study, page 121.



Case study, page 155.

Break barriers to sales. Much the same conclusion was reached by the Northern Virginia Association of REALTORS®, whose members serve counties in which 10–20 percent of residents are native Spanish speakers. The Association's conversational Spanish course, which fills classrooms, focuses on the specific needs of the real estate industry by teaching phrases used in discussing matters such as currency and appointment times. Even a modest command of Spanish helps members, says Ann Brady, manager for programs and awards. "It helps to break the barrier."

Help heal cultural rifts. REALTORS® can have a positive influence over the ways in which communities respond to cultural differences. When disputes arose over the housing preferences of newly arrived Chinese Americans, the Arcadia (California) Association of REALTORS® helped to pave the way for



Case study, page 123.

political compromise and new zoning regulations that addressed the needs of all parties in the housing market.



Case study, page 165.

Do the right thing. Many REALTORS® are committed to diversity simply because they feel it is the right thing to do. The board of the Colorado Association of REALTORS®, for example, adopted a pledge to take specific steps to promote racial and ethnic diversity. Local associations in the state are now reviewing the pledge, and many have already adopted it.

Diversity Initiatives Strengthen Community Influence

REALTOR® associations around the country have taken the lead on issues of importance to foreign-born and other minority communities—with highly visible results. Working within communities, these REALTOR® associations have been able to:

Promote minority homeownership. The California Association of REALTORS® (C.A.R.), the country's largest statewide real estate association, has become famous for pioneering initiatives to promote minority homeownership. The Leadership Summit inaugurated by C.A.R. in 2000 was instrumental in launching the HOPE (Home Ownership Participation for Everyone) Awards program, which gives \$10,000 honoraria to individuals and associations who have advanced the cause. The Summit has grown to include Chinese American, Hispanic, Korean, and African American real estate organizations.

Case study, page 169.



Become an industry trend-setter. The Houston Association of REALTORS® also prides itself on responding to the city's rapidly changing demographics. To ensure its continuing influence within the local homebuilding and homebuying environment, HAR has established working partnerships with over 50 organizations, many of which represent emerging markets. HAR also sends speakers throughout the metropolitan area, which turned a corner in 2000 when Anglos ceased to be the majority population group. "We are educating the emerging markets about homeownership," explains HAR Chair Dovie Morgan. The Association has built a Web site that is widely regarded as an industry trend-setter: listings are taken online, and the site offers translations in several languages, including Spanish, German, and Vietnamese.

Case study, page 160.



Boost cooperation. The MetroTex Association of REALTORS® in the Dallas-Fort Worth area worked with local chapters of the National Association of Hispanic Real Estate Professionals (NAHREP) to organize the first statewide convention for Hispanic real estate professionals in Texas. One of the most important outcomes was an agreement between the two groups to continue cooperating on



Case study, page 159.

a regular basis. "The Association put NAHREP chapters in touch with the San Antonio Board of REALTORS® to organize a second statewide convention in 2005."

Gain access to information. Networking expertise is also paying off for the Seattle King County Association of REALTORS®, whose Presidential Advisory Group on Cultural Diversity has established ties with many groups representing minority real estate agents and has succeeded in diversifying the SKCAR leadership. "We had agents of color on our board before," says Ginger Downs, executive vice president, "but this is the largest concentration." An added benefit of networking is that it gives members access to cultural and socioeconomic information they need to handle transactions in emerging markets.



**Case study,
page 137.**



**Case study,
page 125.**

Improve professional image. Diversity initiatives can also improve professional image. This was demonstrated in New York State, where testing by the U.S. Department of Housing and Urban Development prompted the Greater Rochester Association of REALTORS® to improve minority access to homeownership. The Association did its own testing and, joining forces with a nonprofit housing advocacy group, took the lead in addressing problems through diversity education, community outreach, and minority membership recruitment.

Restore respect. Baltimore is another example. There, the image of real estate professionals took a blow from widespread scams targeting low-income African American homebuyers. The Greater Baltimore Board of REALTORS® spearheaded a broad-based coalition to educate the public and curb fraudulent practices. Gathering the political and financial support of both government and the private sector, the REALTORS® launched a comprehensive public awareness campaign, which achieved its objectives and also helped to restore respect to the real estate profession in the targeted communities.



**Case study,
page 129.**

Combined Strategies Create "Synergy"

Greater diversity in your REALTOR® association gives you added opportunities to serve emerging markets. When REALTORS® serve these markets, their presence encourages foreign-born and minority real estate professionals to join the association. REALTOR® associations sometimes find that working on two or more diversity initiatives at once makes it easier to achieve success—the whole is greater than the sum of its parts. Here is an example:

Multiple-project approach. The Kansas City Regional Association of REALTORS® is working to translate 39 standardized contract forms into Spanish, launch a traveling homebuying seminar in Spanish, and educate its members in developing and improving business relationships with



**Case study,
page 145.**

Hispanic clients. Cristalle Johnson, KCRAR's public policy coordinator, initiated the projects. "[I]t's been a real eye-opener for our members to learn about this expanding market," she says.

It May Be Easier Than You Think

Selling the benefits of a diversity program and implementing one may be easier than you think. (See the one-page handout that follows: "Racial and Ethnic Diversity Is the Hallmark of Today's Real Estate Market.") Implementation can be equally straightforward, because:

- **Real estate agents want to become REALTORS®**—once they understand us. Our Association is the nation's guarantor of a realty profession governed by high ethical standards and respect for all applicable laws and regulations. Membership gives an agent a unique but fair competitive advantage, access to professional enhancement and growth, vital market research, and reliable explanations and interpretations of the law and regulations. As a REALTOR®, an agent gains the wherewithal to provide more effective, professional, and ethical services to clients buying and selling homes.
- **Members find new markets.** As taught in *At Home with Diversity®*, helping people buy and sell homes is largely the same in all neighborhoods, once you get past the language and cultural barriers that may exist. With a little investment of time and effort, a skillful REALTOR® can learn what it takes to succeed in diverse markets. Knowing other REALTORS® who come from those backgrounds will help in many ways.
- **All NAR members enjoy access to the legislative and regulatory process at every level.** This is a powerful incentive to become a member, particularly in many minority communities. The NATIONAL ASSOCIATION OF REALTORS® and its 1,500 state and local associations are universally recognized and respected partners of government, whether in our nation's capital or in the capitals of our 50 states and territories, or in the thousands of county, city, and town councils across the United States. Becoming a REALTOR® adds clout, in any language.

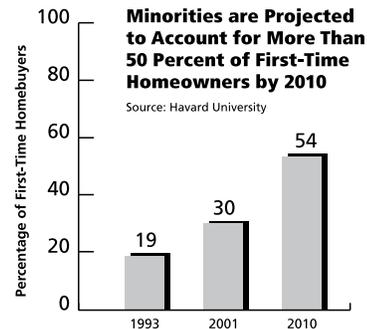


2003 Board of Directors, Rancho Southeast Association of REALTORS®. Front row: Carol Chen, Evelyn Arnold, Malcolm Bennett, Marial Sanders, Tonia Stigeler, Virginia Baert. 2nd row: Allen Chiang, Marjorie Heavener, John Torres. 3rd row: Bob Prigmore, Henry Mouchet. 4th row: Tom Yokoyama. 5th row: LeFrancis Arnold, John McGoff, Paul Benjamin.

- **Your association becomes stronger.** Diversity affords an opportunity to bring a new and exciting measure of enthusiasm into your association. By tapping into minority communities, an association expands its pool of energetic, determined professionals from all backgrounds who want to be leaders. The vibrancy of tomorrow's association depends on people like these. As an added benefit, countless research studies have documented the superior performance of groups whose members with comparable skill levels and interests come from diverse ethnic and racial backgrounds.

Racial and Ethnic Diversity Is the Hallmark of Today's Real Estate Market

- The minority population in this country—African Americans, Hispanics or Latinos¹, and Asians—has grown by 35 percent since 1990, a growth rate five times that of the U.S. population overall. By the year 2010, one-third of the American population will be minorities. (Source: U.S. Bureau of the Census)
- Minority buying power in the United States was expected to reach an estimated \$2.3 trillion by the year 2007, with the buying power of the Hispanic community alone exceeding \$900 billion.
- Immigrants and ethnic/racial minorities from Europe, Asia, Africa, and Latin America represent a major growth segment of the housing market and, therefore, of the realty profession. Government and industry data indicate that *two out of every three new households* are being formed by foreign-born or minority persons. Foreign-born homeowners already account for *\$1.2 trillion in housing wealth*.



By keeping in step with these demographic changes, REALTOR® associations will position themselves to tap into interest that is already there—among homebuyers and among their current and potential members. Investing in diversity initiatives has helped REALTOR® associations of all sizes increase their membership, gain a better grasp of their markets, and more effectively represent the communities they serve.

1. The U.S. Bureau of the Census uses the two terms interchangeably. As reported in the Federal Register: "OMB has decided that the term should be 'Hispanic or Latino.' ...[R]egional usage of the terms differs — Hispanic is commonly used in the eastern portion of the United States, whereas Latino is commonly used in the western portion." However, REALTOR® associations tend to use the term preferred in their community.

The NATIONAL ASSOCIATION OF REALTOR®'s Diversity in Leadership Initiative

Diversity in leadership is a strategic priority of the NATIONAL ASSOCIATION OF REALTORS®. The NAR Strategic Plan states that

NAR will seek to promote diversity in REALTOR® membership and leadership to reflect America's diversity.

In 1998, NAR initiated a program with four strategies aimed at making REALTORS® leaders in a culturally diverse real estate environment:

Strategy One: Preparing members to work in our diverse market.

Rationale: America's diversity is growing. Half of new homebuyers are minorities.

Status: More than 20,000 members hold the At Home with Diversity® certification, with skills and knowledge necessary for including diverse markets in their businesses.

Strategy Two: Increasing diversity in the real estate workplace.

Rationale: A diverse workforce signals acceptance and inclusion to the consumer and increases understanding of diverse cultural and business needs.

Status: Brokers have been hiring more diverse agents. Some large firms have diversity officers. Diversity in the workforce has translated to diversity in the membership.

Strategy Three: Increasing diversity in the membership.

Rationale: In 1999, 5 percent of NAR's members were minorities. Today, more than 30 percent of the population and 12 percent of NAR members are minorities.

Status: The At Home with Diversity® course and the Diversity Toolkit and grants have been catalysts leading to increased diversity in the membership. More than 25 percent of NAR's new members since 1999 are minorities.

Strategy Four: Increasing diversity in leadership.

Rationale: NAR elevated this priority to help REALTORS® remain competitive in a market characterized by dramatically increased diversity.

Status: The Equal Opportunity Cultural Diversity Committee created a working group on leadership diversity whose participants included NAR leaders outside the committee. The working group recommended a series of actions to achieve the goal of annually increasing diversity among participants and leadership in the Association.

Definitions

Diversity: Inclusion of all constituencies within the REALTOR® community with a focus on those underrepresented in leadership. For the purposes of the Diversity in Leadership Initiative, the focus is on racial and ethnic diversity.

Leadership: Elected and appointed leaders including those of committees, advisory boards, and working groups, as well as key political contacts.

Minority: In this initiative, racial and ethnic groups who are a minority in NAR's membership.

What value does diversity in leadership bring your association?

It's a simple calculation, really. More and more Americans come from different racial and ethnic groups. Every day, more Americans of every race and ethnicity set out to buy homes and other property. This market—like any other market experiencing rapid growth—will attract needed services. The only question is, who will provide them?

Every community cultivates its own network of trusted real estate professionals. As with all professionals, their knowledge and connections are their business. Diverse NAR leadership ensures that these communities will benefit from NAR's immense bank of knowledge and expertise, while REALTORS® will gain deeper market access, greater consumer confidence, and the jolt of creativity sparked by the inclusion of new perspectives.

NAR's community outreach activities complement its diversity recruitment drive by demonstrating that REALTORS® can play a positive role in shaping their communities. When REALTORS® show that they care about the communities they are helping to build, the people they serve will take notice.

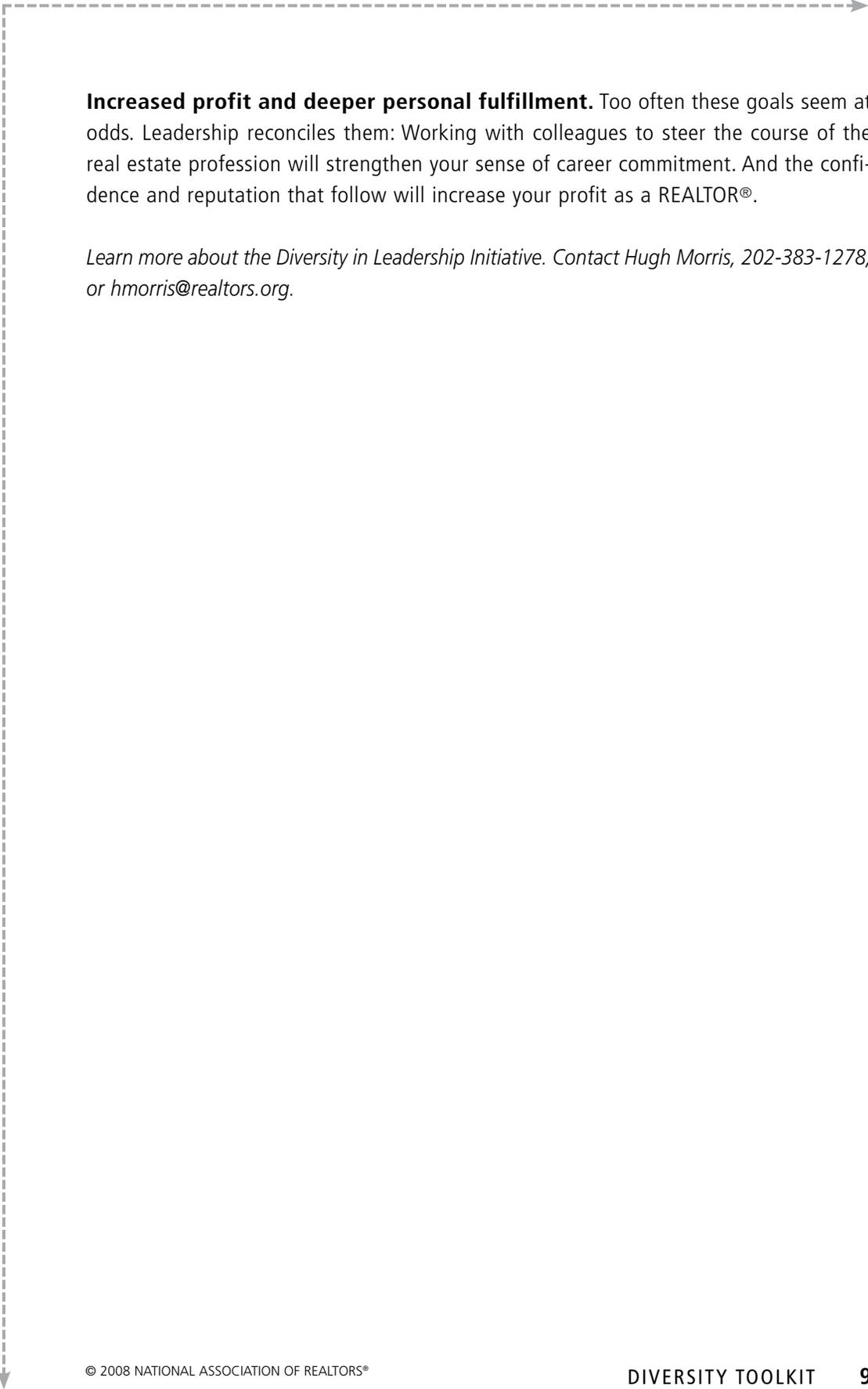
Finally, NAR's faithful reflection of its consumer base will affirm its status as "The Voice for Real Estate®." When NAR speaks to legislatures and other regulatory authorities, its message will be loud, clear, and unmistakable.

What value does your participation as an association leader bring you?

Leadership brings value—in every sense of the word.

More contacts and fewer cold calls. Every REALTOR® you collaborate with becomes another contact in your expanding network of market connections. You'll spend less energy negotiating the early, uncertain stage of business relationships and stay focused on deals with partners you trust.

More knowledge and more power. Your knowledge of markets, your contacts, and your hunch about the next big investment trend all are valuable themselves. But that value multiplies when you exchange them with your colleagues.



Increased profit and deeper personal fulfillment. Too often these goals seem at odds. Leadership reconciles them: Working with colleagues to steer the course of the real estate profession will strengthen your sense of career commitment. And the confidence and reputation that follow will increase your profit as a REALTOR®.

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.

Recruiting for Diversity

Members recruited for participation or leadership should be selected on the basis of their individual qualifications, their skills, and their experiences. Where to find them? You may need to look beyond the usual places. Some of your best prospects likely will have displayed their leadership abilities elsewhere, in their place of worship or chamber of commerce, for example. Those same skills can be applied to leadership in their capacity as REALTORS®.

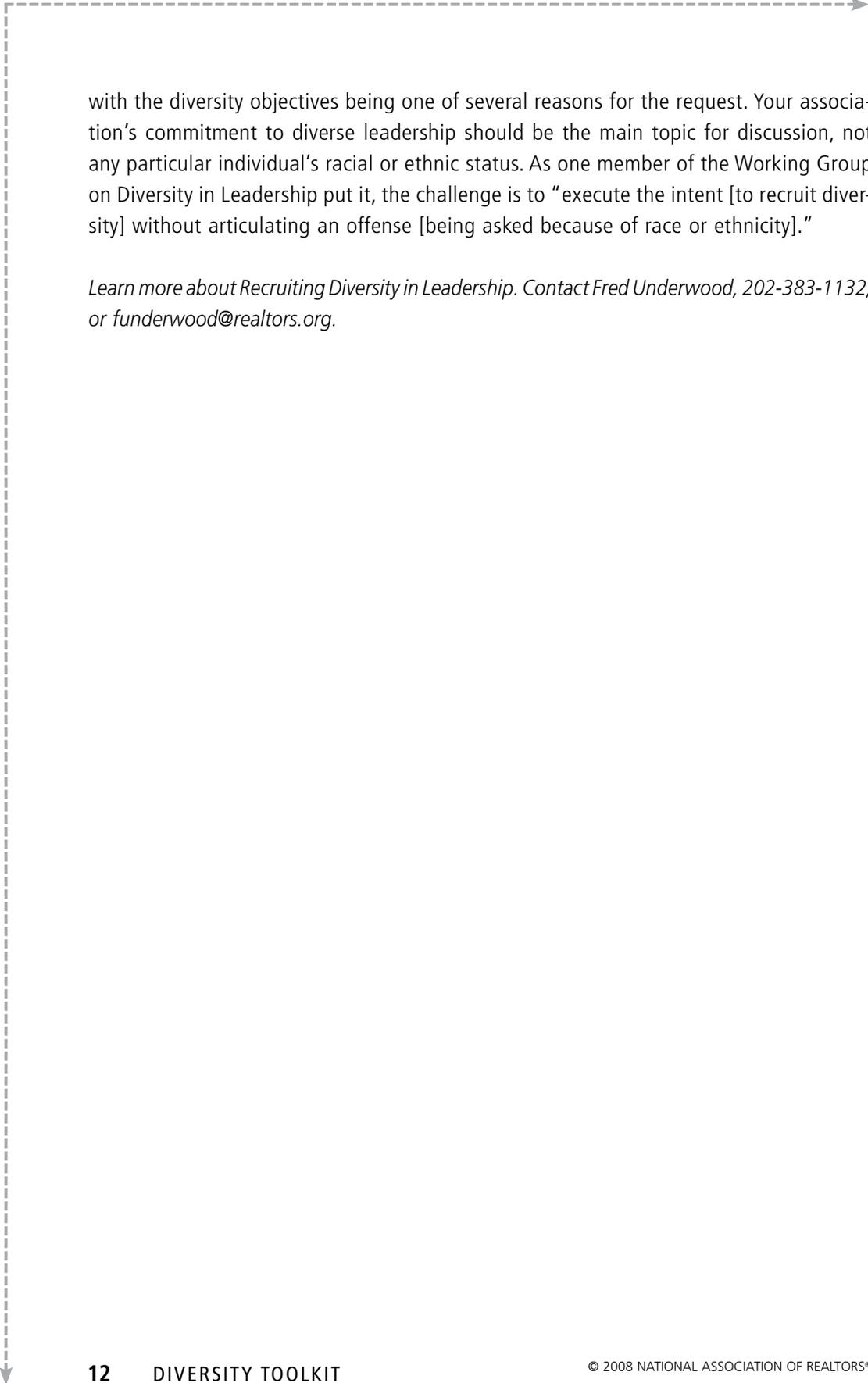
As you begin to recruit for diversity, remember that the Fair Housing Act prohibits discrimination in access, membership, or participation in real estate organizations. To recruit for diversity, therefore, you might consider examining your qualifications for leadership, expand where you look for potential leaders, and develop a diverse pool of potential leaders for the future.

Qualifications. One reason to have diversity in leadership is to better represent a diverse membership or diverse communities served by your membership. Members representing diverse parts of your membership or who have special relationships with different communities in your service area will bring more diversity to your leadership. The Chicago Association of REALTORS® used geographic districts to bring diversity to their board (see “Ambitious Outreach Programs Yield a More Representative Board,” page 53).

Outreach. Attend meetings of your local chapter of the Asian Real Estate Association of America, NAHREP (National Association of Hispanic Real Estate Professionals), or Realtists. Visit real estate offices that serve diverse populations. Introduce yourself to members of your own association whose ethnicities differ from yours. All of these initiatives will bring you into contact with potential leaders.

Build a pool of potential leaders. Members bring to the association various reasons for volunteering. It may be a passion for professional standards or an interest in public policy. Learn what motivates your members, and look for opportunities to let them exercise leadership in their areas. You might try the methodical approach taken by Benny McMahon, Executive Vice President of the Texas Association of REALTORS®, who organizes his search for prospective leaders by maintaining an up-to-date database of members’ knowledge and interests.

The way members are asked to participate has a direct impact on their response. It depends how diversity is addressed in the “asking.” The request should be made during a conversation with a potential participant or leader, and the request should not be the initial reason for the conversation. The talents of the individual should be accentuated,



with the diversity objectives being one of several reasons for the request. Your association's commitment to diverse leadership should be the main topic for discussion, not any particular individual's racial or ethnic status. As one member of the Working Group on Diversity in Leadership put it, the challenge is to "execute the intent [to recruit diversity] without articulating an offense [being asked because of race or ethnicity]."

Learn more about Recruiting Diversity in Leadership. Contact Fred Underwood, 202-383-1132, or funderwood@realtors.org.

Ways to Make the REALTOR® Governance Process More Inclusive

Local, state, and national REALTOR® associations constitute large, complex organizations. Such a large entity offers a wealth of opportunities for potential leaders with diverse talents, interests, and backgrounds. Unfortunately, the size and complexity of REALTOR® governance can strike many as formidable. To a member who wants to become more involved, it may not be apparent what steps to take—or whom to ask.

REALTORS® committed to a more diverse leadership will find this section helpful for explaining to novices how things work. Even experienced REALTORS® may need a refresher, and there are basic elements of the NAR governance process that all of us should understand—potential leaders and potential mentors alike.

Help a Member Find a Place in REALTOR® Governance

Some of this information is also available in the handy new brochure, *Leadership: What It's Worth, How to Get Started*, written for the new member or someone first contemplating greater involvement.

A REALTOR® leader is someone who fills a niche so well that he or she becomes indispensable to colleagues in the association. Members who want to participate in association governance should find their niche and let their colleagues know.

State and local associations have their own ways of keeping track of members who are interested in serving on committees or pursuing leadership in other ways.

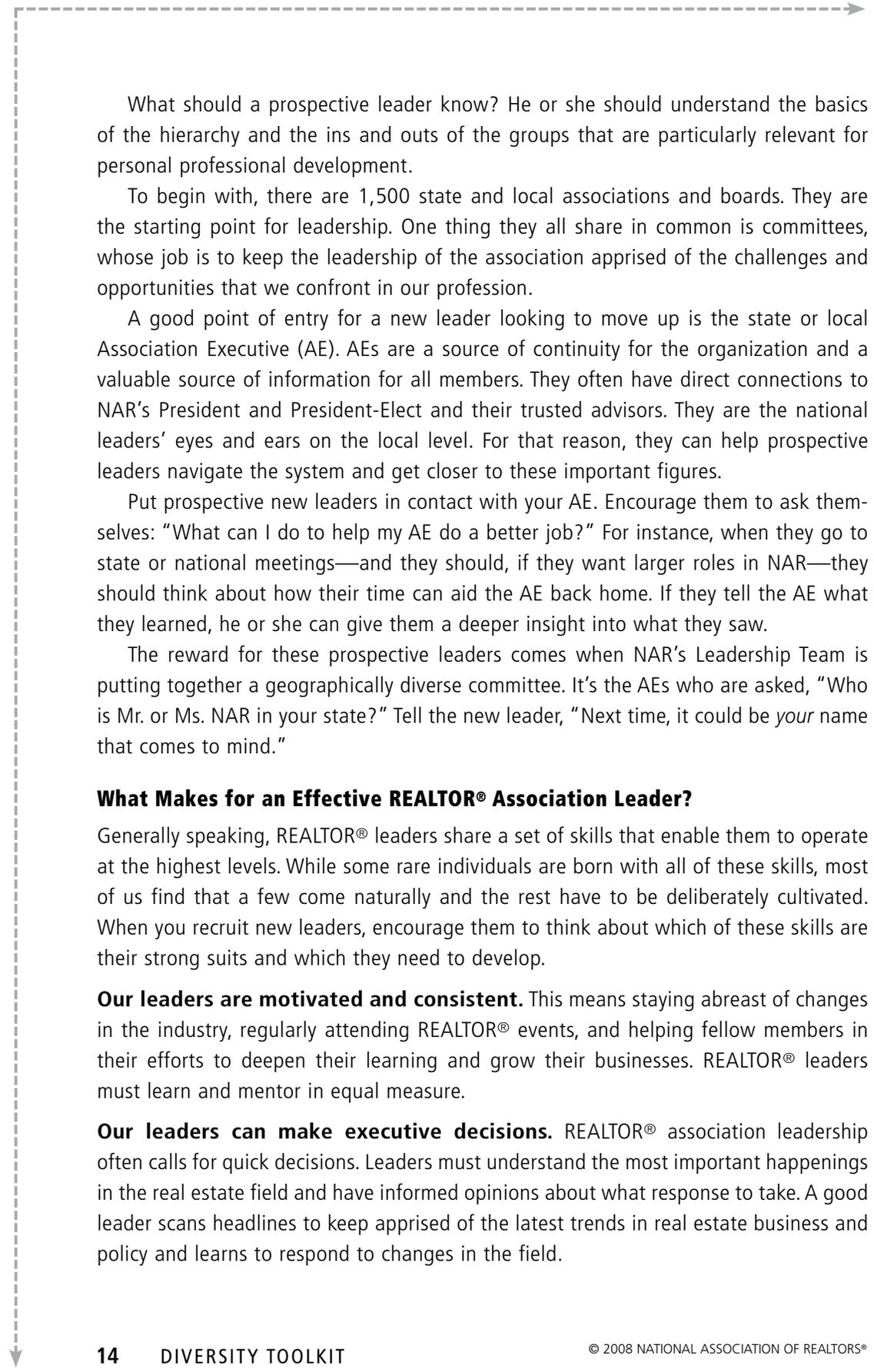
At the national level, prospective leaders should create Expertise Profiles on the NAR Web site, www.realtor.org/governance. This will allow them to define their public identities as real estate professionals and provide them calling cards for committee nominations.

Another important step is for the member to find a mentor—several, if possible. Established leaders can help prospective leaders begin to understand how things get done. A mentor who shares the member's interests is not only a valuable source of information but also an entry point into the network of like-minded REALTORS®.

What a Prospective Leader Should Know

This organization is vast. NAR represents 1.3 million individuals, making it America's largest trade association. Every last one of the top officers and committees performs an important function.





What should a prospective leader know? He or she should understand the basics of the hierarchy and the ins and outs of the groups that are particularly relevant for personal professional development.

To begin with, there are 1,500 state and local associations and boards. They are the starting point for leadership. One thing they all share in common is committees, whose job is to keep the leadership of the association apprised of the challenges and opportunities that we confront in our profession.

A good point of entry for a new leader looking to move up is the state or local Association Executive (AE). AEs are a source of continuity for the organization and a valuable source of information for all members. They often have direct connections to NAR's President and President-Elect and their trusted advisors. They are the national leaders' eyes and ears on the local level. For that reason, they can help prospective leaders navigate the system and get closer to these important figures.

Put prospective new leaders in contact with your AE. Encourage them to ask themselves: "What can I do to help my AE do a better job?" For instance, when they go to state or national meetings—and they should, if they want larger roles in NAR—they should think about how their time can aid the AE back home. If they tell the AE what they learned, he or she can give them a deeper insight into what they saw.

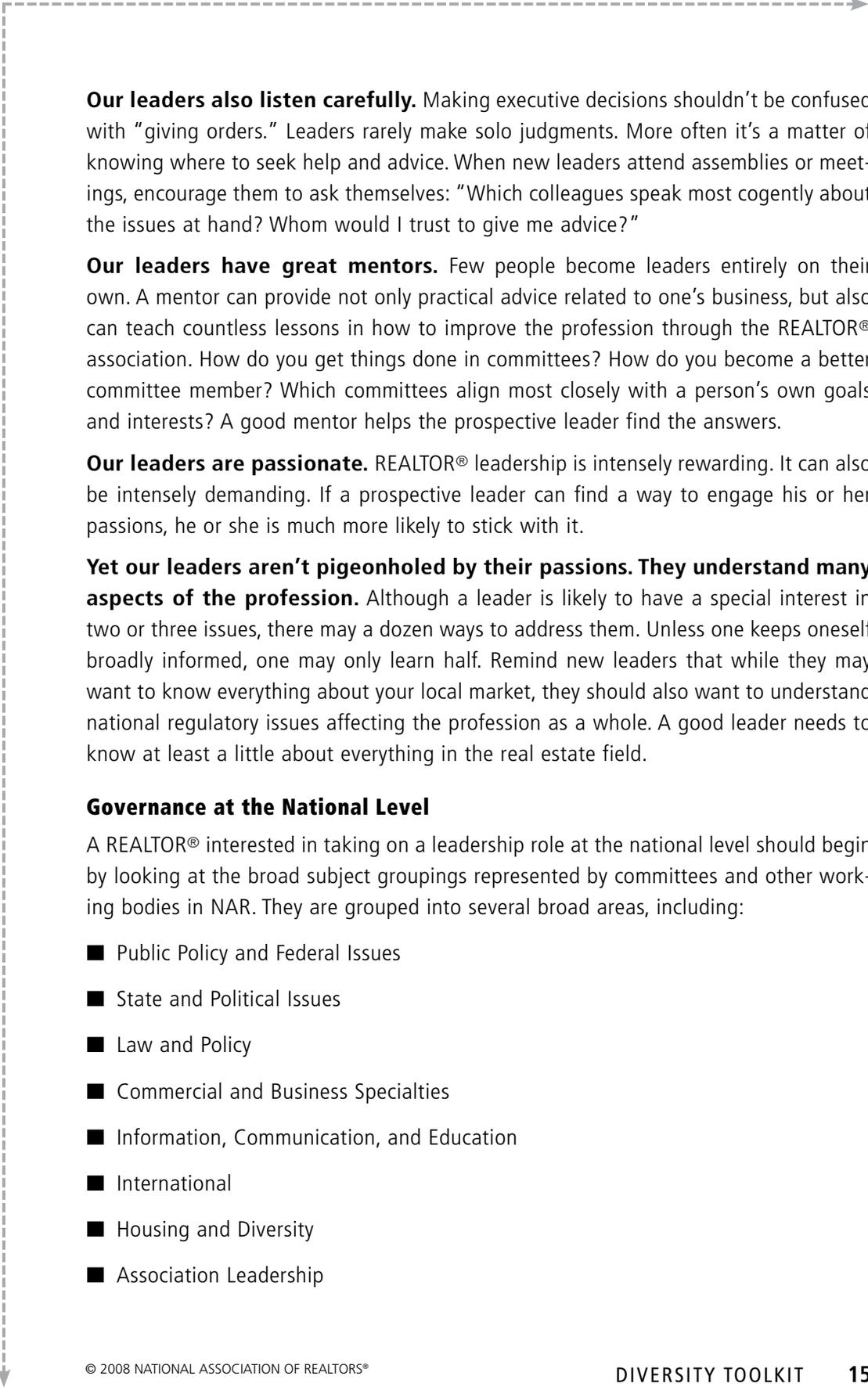
The reward for these prospective leaders comes when NAR's Leadership Team is putting together a geographically diverse committee. It's the AEs who are asked, "Who is Mr. or Ms. NAR in your state?" Tell the new leader, "Next time, it could be *your* name that comes to mind."

What Makes for an Effective REALTOR® Association Leader?

Generally speaking, REALTOR® leaders share a set of skills that enable them to operate at the highest levels. While some rare individuals are born with all of these skills, most of us find that a few come naturally and the rest have to be deliberately cultivated. When you recruit new leaders, encourage them to think about which of these skills are their strong suits and which they need to develop.

Our leaders are motivated and consistent. This means staying abreast of changes in the industry, regularly attending REALTOR® events, and helping fellow members in their efforts to deepen their learning and grow their businesses. REALTOR® leaders must learn and mentor in equal measure.

Our leaders can make executive decisions. REALTOR® association leadership often calls for quick decisions. Leaders must understand the most important happenings in the real estate field and have informed opinions about what response to take. A good leader scans headlines to keep apprised of the latest trends in real estate business and policy and learns to respond to changes in the field.



Our leaders also listen carefully. Making executive decisions shouldn't be confused with "giving orders." Leaders rarely make solo judgments. More often it's a matter of knowing where to seek help and advice. When new leaders attend assemblies or meetings, encourage them to ask themselves: "Which colleagues speak most cogently about the issues at hand? Whom would I trust to give me advice?"

Our leaders have great mentors. Few people become leaders entirely on their own. A mentor can provide not only practical advice related to one's business, but also can teach countless lessons in how to improve the profession through the REALTOR® association. How do you get things done in committees? How do you become a better committee member? Which committees align most closely with a person's own goals and interests? A good mentor helps the prospective leader find the answers.

Our leaders are passionate. REALTOR® leadership is intensely rewarding. It can also be intensely demanding. If a prospective leader can find a way to engage his or her passions, he or she is much more likely to stick with it.

Yet our leaders aren't pigeonholed by their passions. They understand many aspects of the profession. Although a leader is likely to have a special interest in two or three issues, there may be a dozen ways to address them. Unless one keeps oneself broadly informed, one may only learn half. Remind new leaders that while they may want to know everything about your local market, they should also want to understand national regulatory issues affecting the profession as a whole. A good leader needs to know at least a little about everything in the real estate field.

Governance at the National Level

A REALTOR® interested in taking on a leadership role at the national level should begin by looking at the broad subject groupings represented by committees and other working bodies in NAR. They are grouped into several broad areas, including:

- Public Policy and Federal Issues
- State and Political Issues
- Law and Policy
- Commercial and Business Specialties
- Information, Communication, and Education
- International
- Housing and Diversity
- Association Leadership

A detailed listing of NAR committees appears at the end of this section and at www.realtor.org/governance.

When a member is ready to pursue leadership on a national level, the first step is to be invited to join a committee. Different people may extend the invitation, depending on the committee. Generally, the incoming President selects the Chair of each committee, and the President-Elect selects the Vice Chairs.

The President appoints committee members. At NAR, he or she goes to the Committee Recommendation Database located in the Governance section of www.REALTOR.org. Anyone, including the candidate him- or herself, can nominate a committee member. Most committee members are nominated or recommended by active leaders, including:

■ NAR Leadership

- President, President-Elect, First Vice President, Treasurer
- Vice Presidents & Liaisons to Committees and Government Affairs
- Immediate Past President, Committee Liaisons, Regional Vice Presidents

■ State Association Leadership

- State President and State Association Executive

■ Chair, Vice Chair, past Chair, and Staff Executive to a committee

■ Local Board President and Association Executive

■ Past NAR Presidents, Regional Vice Presidents, State Presidents

■ Presidents and Executives of Institutes, Societies and Councils

■ NAR Directors

■ At large members

By letting leadership know of one's interests and qualifications, through NAR's Expertise Profiles, the member gives the President and other leaders the tools to make effective appointments. A conversation in the hall is unlikely to be remembered. Members need to put their interest in writing and document their qualifications.

Endorsements are also crucial, and some matter more than other. The prospective leader should observe who has influence in the Association. At the top are the officers, followed by current and past leaders of the committees. And, of course, one must not overlook the AE and staff.

There are many different ways to be active within NAR. In addition to NAR committees, there are working groups, federal political coordinators, and volunteering for many special projects. One does not need to sit on a committee, in most cases, to attend and (in some cases) participate in discussions. The greatest opportunity for a member to participate is in the forums, which are open to everyone's input and discussion.

Nominations are due in February, and appointments are announced in July.

For a detailed discussion of the committee appointment process, including the screening criteria, go to the Governance section of www.REALTOR.org.

The NAR Leadership Team: Where the Buck Stops

The Leadership Team keeps NAR moving. It is responsible for appointing Committee chairs and for taking action on the Committees' recommendations. Most, if not all, members of the Leadership Team have logged time on a Committee. They gain their positions of authority and trust only after mastering the Committee structure.

Who's Who in the Leadership

- The **Board of Directors** is the governing body of the Association.
- The **Leadership Team**
 - The **President** is the chief elected officer and presides over meetings of Executive Committee and the Board of Directors. She or he appoints a host of personnel, including the Chairs of all committees, committee members, the Vice Presidents and Liaisons to Committees, and some members of the Executive Committee.
 - The **President-Elect** assumes responsibility if the President is absent and selects all Committee Vice Chairs. At the end of the President's term, the President-Elect succeeds to the office of President.
 - The **First Vice President** fills vacancies in the office of President-Elect. Among the duties of the First Vice President are coordinating the work of the Regional Vice Presidents and acting as the Leadership Team's Liaison to NAR's Institutes, Societies and Councils.
 - The **Treasurer** is the custodian of all the Association's funds and securities
 - The **Immediate Past President**
 - The **Vice President and Liaison to Committees** is the team leader of all Committee Liaisons and works with the **Vice President and Liaison to Government Affairs** to provide executive summaries of action and informational items, manage communication between leadership and committees, facili-

tate collaboration on issues that impact more than one committee, and identify new NAR talent.

- ❑ The **Executive Vice President/CEO** enacts policy and program decisions by managing the Association’s staff and financial resources.

■ Others in Leadership Positions

- ❑ **Committee Liaisons** facilitate communication between committees under their purview and the leadership. They also help committee leaders identify and achieve committee goals, and identify future talent.
- ❑ **Regional Vice Presidents**, elected spokespersons—one for each of the 13 regions, who identify and communicate issues and opportunities, chair the Regional Caucus and regional conferences, and lead the team of State Presidents within their region.
- ❑ **Committee Chairs and Vice Chairs** work with staff and the Committee Liaison to review issues and recommend policy or programs, identify hot issues for strategic resolution, encourage committee member involvement and leverage the committee’s talents, and identify new talent.
- ❑ **Forum Chairs and Vice Chairs** provide programs on “hot button” issues for greater member involvement, input, and awareness. They forward recommendations to full committees.
- ❑ **Committee members** participate in discussions and debate and communicate issues and needs raised at local or state associations or within the institutes, societies, or councils.
- ❑ **NAR staff.** The Executive Vice President and CEO manages all national personnel and staff. NAR staff work in partnership with leadership and are responsible for implementing the policies and programs approved by the Board of Directors.

How NAR Makes Decisions

Issues are discussed and debated at the appropriate committees. If the issue is covered under existing policy or programs, the committee determines the appropriate NAR action or response to the issues. If new policy or programming is needed, the committee recommends that policy or program. The recommendation is then provided to the committee liaison and the VPs and Liaisons to Committees and Government Affairs, who assist the committee leadership and staff in presenting the issue to the Executive Committee. The Executive Committee either approves the recommendation or recommends an alternative.

The committee recommendation, along with any Executive Committee action, is considered by the Board of Directors. The Board of Directors sets public policy positions, approves the Association's budget and programs, and establishes governing policies. Changes to the NAR Constitution and to articles of the NAR Code of Ethics are approved by the Delegate Body.

Committees and Other Bodies

For a complete, up-to-date list of committees, go to www.realtors.org/governance.

Public Policy and Federal Issues

- Public Policy Coordinating Committee
 - Legislative and Political Forum
 - Regulatory Issues Forum
 - Real Estate Related Services Forum
- Business Issues Committee
- Conventional Finance & Lending Committee
- Federal Taxation Committee
- Federal Housing Policy Committee
- Land Use, Property Rights, & Environment Committee
 - Land Use, Property Rights, & Environment Forum
- Public Advocacy Advisory Group

State and Political Issues

- REALTORS® Political Involvement Committee
- RPAC Trustees Committee
- Issues Mobilization Committee
- State & Local Issues Committee
- Smart Growth Program Advisory Group

Law and Policy

- Legal Action Committee
- Risk Management Committee
 - Risk Management & License Law Forum
- Multiple Listing Issues & Policies Committee
 - Multiple Listing Service Forum



Committees and Other Bodies *(continued)*

- Professional Standards Committee
 - PS Interpretations and Procedures Subcommittee
 - Professional Standards Forum
- Membership Policy & Board Jurisdiction Committee

Commercial and Business Specialties

- REALTORS® Commercial Alliance Committee
 - Commercial Legislation & Regulatory Subcommittee
 - Commercial Real Estate Research Subcommittee
 - Economic Issues & Commercial Real Estate Business Trends Forum
 - Property Management Forum
 - Commercial Leadership Forum
- Appraisal Committee
 - Auction Forum

Information, Communication, and Education

- Communications Committee
- Professional Development Committee
 - Professional Development Forum
- Research Committee
 - Economic Issues & Residential Real Estate Business Trends Forum
- Meeting & Conference Committee
 - Forum—Conference Program Subcommittee
 - Member Information Services Forum
 - Business Technology & Information Systems Forum
 - Marketing Forum

Association Leadership

- Board Leadership Forum
 - Mega Board Subforum
 - Large Board Subforum
 - Medium Board Subforum
 - Small Board Subforum
- State Leadership Forum
 - Large State Subforum
 - Medium State Subforum
 - Small State Subforum



Committees and Other Bodies *(continued)*

Association Executive Committee Forum
AEC/AE Institute Advisory Board
AEC/RCE Certification Board
AEC/Recommendations and Recognition Subcommittee
AEC/State EO Forum

International

International Operations Committee
International Forum
International Local Council Forum
International Networks Advisory Group
CIPS Advisory Group
CIPS Faculty & Oversight Group
Resort & Second Home Real Estate Committee
Resort & Second Home Real Estate Forum

Housing and Diversity

Equal Opportunity–Cultural Diversity Committee
Equal Opportunity–Cultural Diversity Forum
Housing Needs Committee
Housing Opportunities Advisory Board

Large Firm Relations

Business Technology and Information Systems Forum

The following Committees report to the leadership team or specific officers

Distinguished Service Award Committee
Executive Committee
Finance Committee
Reserves Investment Subcommittee
Institute Advisory Committee
Nominating Committee
Past Presidents' Advisory Committee
Real Property Operations Committee
Strategic Planning Committees
Strategic Investments Reserve Advisory Board



New Tools

To implement the Diversity in Leadership Initiative, many associations will find it useful to have talking points for presentations to their membership, articles suitable for publication in their association magazines or newsletters, and a recommended set of steps for getting a diversity program under way. These are presented in the pages that follow and are available for download from www.realtor.org/diversity.

Talking Points on Diversity in Leadership

Increasing diversity in leadership—to become more diverse each year—is a strategic priority of the NATIONAL ASSOCIATION OF REALTORS® (NAR).

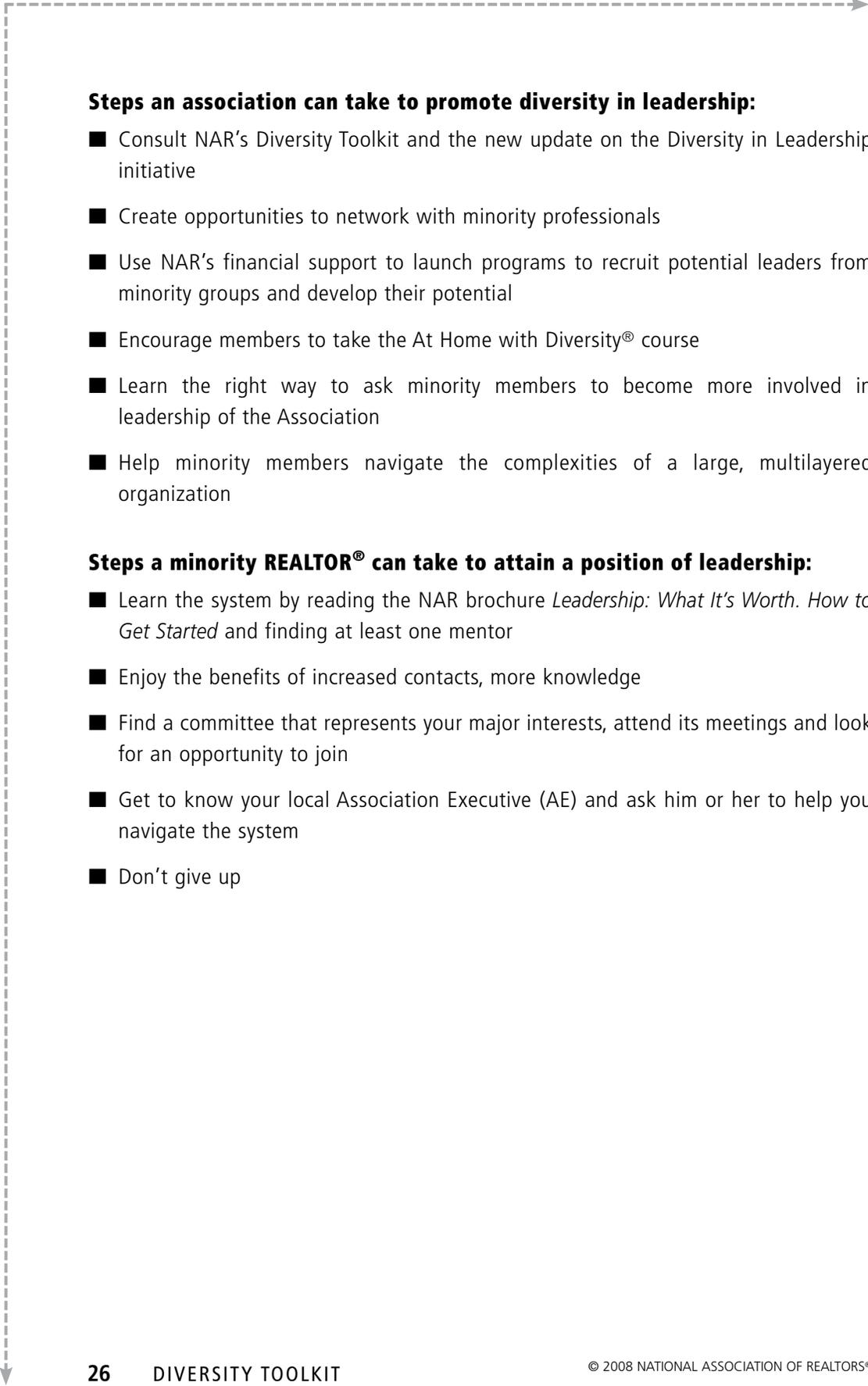
Business rationale:

- Two thirds of new households in the United States are minorities
- Minorities represent 30 percent of the U.S. population, and their buying power is growing steadily
- Several states already are “majority minority”
- Diverse leadership is a must, if REALTORS® are to continue providing the highest-quality real estate services to all communities
- NAR’s faithful reflection of its customer base affirms our status as The Voice for Real Estate®

Why NAR can readily achieve this goal:

- Member associations have already made great strides
- More than 25 percent of NAR’s new members since 1999 have been minorities
- More than 20,000 REALTORS® have taken the award-winning At Home with Diversity® course
- REALTOR® associations across the country have successfully partnered with minority real estate organizations, such as the National Association of Hispanic Real Estate Professionals (NAHREP), the Asian Real Estate Association of America (AREAA), the National Association of Real Estate Brokers (NAREB), and others

Even without a formal initiative, minority REALTORS® are rising to leadership positions at the local, state, and national levels. Six State Associations have elected minority Presidents to date, and in 2008, Charles McMillan, who is African American, became President-Elect of NAR.



Steps an association can take to promote diversity in leadership:

- Consult NAR's Diversity Toolkit and the new update on the Diversity in Leadership initiative
- Create opportunities to network with minority professionals
- Use NAR's financial support to launch programs to recruit potential leaders from minority groups and develop their potential
- Encourage members to take the At Home with Diversity® course
- Learn the right way to ask minority members to become more involved in leadership of the Association
- Help minority members navigate the complexities of a large, multilayered organization

Steps a minority REALTOR® can take to attain a position of leadership:

- Learn the system by reading the NAR brochure *Leadership: What It's Worth. How to Get Started* and finding at least one mentor
- Enjoy the benefits of increased contacts, more knowledge
- Find a committee that represents your major interests, attend its meetings and look for an opportunity to join
- Get to know your local Association Executive (AE) and ask him or her to help you navigate the system
- Don't give up

Why a Diverse Leadership?

Capturing Ethnic Markets in the U.S.

Oscar Gonzales, PhD, is president of the Gonzales Group (www.thegonzalesgroup.com), a strategic consulting firm to the real estate industry specializing in the emerging markets.



Oscar Gonzales

“The cultures of Japan, Spain, China, the Middle Eastern countries, and the Latin American countries establish relationships first before business is conducted, and then communicate within the context of these relationships. In low context cultures—for example, in Canada, the U.S., and Northern Europe—information is expressed in explicit codes such as words. Relationship building takes a back seat.”

Population Growth					
By Race	Total	White	Black	Asian	Hispanic
2005	295,292,828	236,619,412	38,123,935	13,249,051	42,850,201
2010	307,825,552	244,109,693	40,244,239	14,176,663	50,031,411
% Change	13%	12%	13%	15%	20%

Median Income					
By Race	Total	White	Black	Asian	Hispanic
2005	48,300	50,982	35,988	60,852	44,110
2010	54,447	57,432	40,874	69,459	52,348
% Change	12.73%	12.65%	13.58%	14.14%	18.68%

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The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide. Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.



The True Antidote to Prejudice

Carmela J. Ma, CIPS, CCIM, CRE, FRICS is president of CIM Associates, Inc., a commercial brokerage and consulting firm in Beverly Hills, California. She is former dean of the NATIONAL ASSOCIATION OF REALTORS® Certified International Property Specialist (CIPS) program and founder of the Greater Los Angeles CCIM chapter. A recognized authority on international real estate transactions, she has lectured, managed, and consulted in over thirty countries.



Carmela J. Ma

Real estate is probably one of the most equality-minded industries in the world. For this we can thank the efforts of the NATIONAL ASSOCIATION OF REALTORS® in the political arena to assure fair play. And yet, more and more, when we think “equality,” we say “diversity” instead.

I am not comfortable with “diversity.” It is all too often a goal of appearance rather than substance. Equality, by contrast, is an idea whose roots in the U.S. constitution make its meaning unmistakable. The fourteenth amendment forbids the states from depriving their citizens of “equal protection of the laws.”

People living under oppressive foreign regimes clamor not for “diversity” but for freedom and individual rights. They are direct, unwavering, and substantial. Racial, ethnic, and gender identities find recognition only after the basic condition of equality has been met.

But for all of our legal protections, it is unfortunately true that inequality lives on in the form of stereotyping. As a woman, a Christian, and an Asian-American, I have felt the sting of prejudice.

A common misconception is that the antidote for prejudice is diversity. Pursued as an end in itself, diversity can at best only lessen the *appearance* of prejudice, while stoking the resentment of prejudiced people.

The true antidote to prejudice is something that requires real patience and conviction. By advancing the cause of *equality*—special treatment for none and respect for all—the real estate profession will do much to overcome the reality, not just the appearance, of unfairness.

So long as “diversity” prevails over equality and individual rights, minority candidates will be denied unqualified recognition for their achievements. Give me nothing short of good old “equality” any time!

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California Leadership Summit Shows Cooperation Pays Off

"Not being absorbed by one or the other, but just working together for information."

John Yen Wong has been an active real estate practitioner since 1981 and has experience as a salesperson, manager, and owner of real estate companies. He was the 2004 national president of the Council of Real Estate Brokerage Managers (CRB) and the 2005 President of the San Francisco Association of REALTORS®. He was also founding chairman of the Asian Real Estate Association of America (AREAA) and the 2005 chairman of Freddie Mac's Affordable Housing Advisory Council. *REALTOR® Magazine* named him one of the 25 most influential people in real estate in 2003.



John Yen Wong

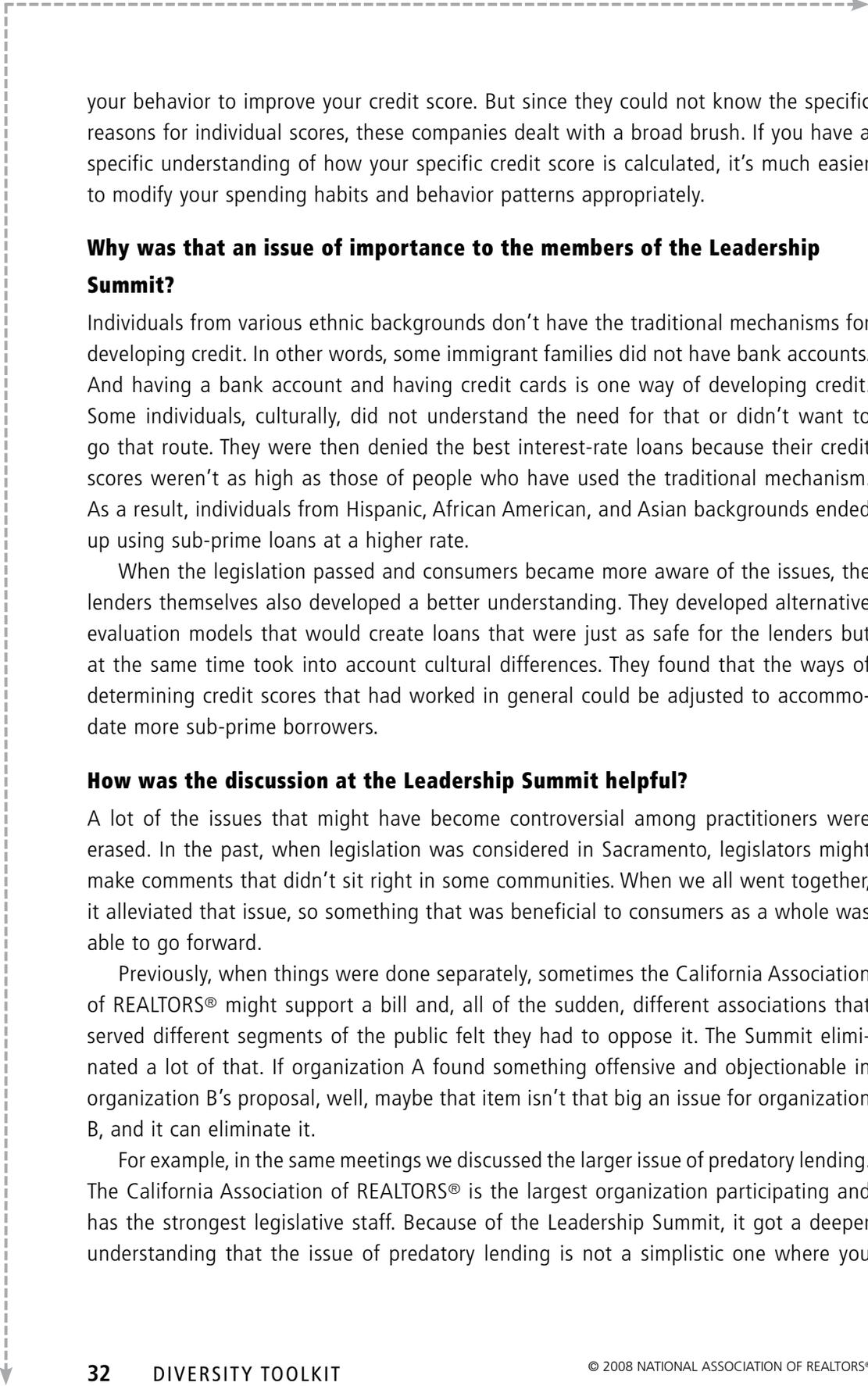
What is the California Leadership Summit?

It is a semiannual meeting of the leadership from various real estate associations that operate in California. It includes the California Association of REALTORS® (CAR) and various local associations and regional associations that serve a more specific ethnic segment, including the California Association of Real Estate Brokers (CAREB); the Chinese Real Estate Association of America (CREAA), a group based in San Francisco that serves practitioners who work with the Chinese-American public; the Chinese American Real Estate Professionals Association (CAREPA), which is based in the Los Angeles area; and representatives of the Korean and Hispanic communities.

Leaders from all these groups get an opportunity to discuss current issues. For example, the group worked together to advocate successfully for California legislation that requires credit scoring companies to let consumers know how their scores were derived. Because of our work in California, NAR also elevated the importance of opening up information on credit scores.

Why is it important to have credit scoring companies explain the reasons for their scores?

It allows consumers a chance to correct inaccuracies, or if the information is accurate gives them a clear understanding of what they must do to clean up their credit. In the past, you could hire a company—sometimes even very inexpensively, like a community credit-counseling service—that could give generalized, theoretical ways to change



your behavior to improve your credit score. But since they could not know the specific reasons for individual scores, these companies dealt with a broad brush. If you have a specific understanding of how your specific credit score is calculated, it's much easier to modify your spending habits and behavior patterns appropriately.

Why was that an issue of importance to the members of the Leadership

Summit?

Individuals from various ethnic backgrounds don't have the traditional mechanisms for developing credit. In other words, some immigrant families did not have bank accounts. And having a bank account and having credit cards is one way of developing credit. Some individuals, culturally, did not understand the need for that or didn't want to go that route. They were then denied the best interest-rate loans because their credit scores weren't as high as those of people who have used the traditional mechanism. As a result, individuals from Hispanic, African American, and Asian backgrounds ended up using sub-prime loans at a higher rate.

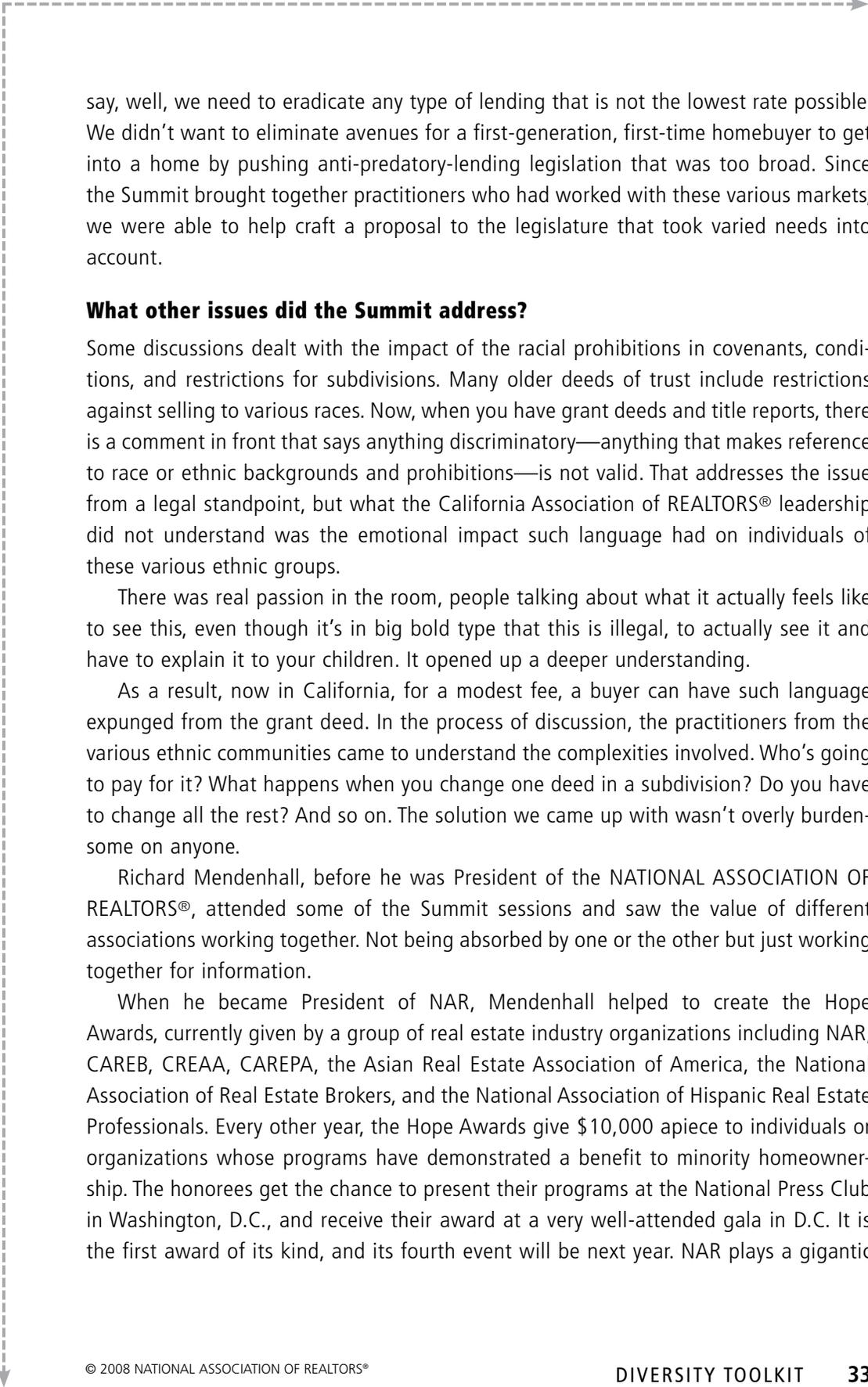
When the legislation passed and consumers became more aware of the issues, the lenders themselves also developed a better understanding. They developed alternative evaluation models that would create loans that were just as safe for the lenders but at the same time took into account cultural differences. They found that the ways of determining credit scores that had worked in general could be adjusted to accommodate more sub-prime borrowers.

How was the discussion at the Leadership Summit helpful?

A lot of the issues that might have become controversial among practitioners were erased. In the past, when legislation was considered in Sacramento, legislators might make comments that didn't sit right in some communities. When we all went together, it alleviated that issue, so something that was beneficial to consumers as a whole was able to go forward.

Previously, when things were done separately, sometimes the California Association of REALTORS® might support a bill and, all of the sudden, different associations that served different segments of the public felt they had to oppose it. The Summit eliminated a lot of that. If organization A found something offensive and objectionable in organization B's proposal, well, maybe that item isn't that big an issue for organization B, and it can eliminate it.

For example, in the same meetings we discussed the larger issue of predatory lending. The California Association of REALTORS® is the largest organization participating and has the strongest legislative staff. Because of the Leadership Summit, it got a deeper understanding that the issue of predatory lending is not a simplistic one where you



say, well, we need to eradicate any type of lending that is not the lowest rate possible. We didn't want to eliminate avenues for a first-generation, first-time homebuyer to get into a home by pushing anti-predatory-lending legislation that was too broad. Since the Summit brought together practitioners who had worked with these various markets, we were able to help craft a proposal to the legislature that took varied needs into account.

What other issues did the Summit address?

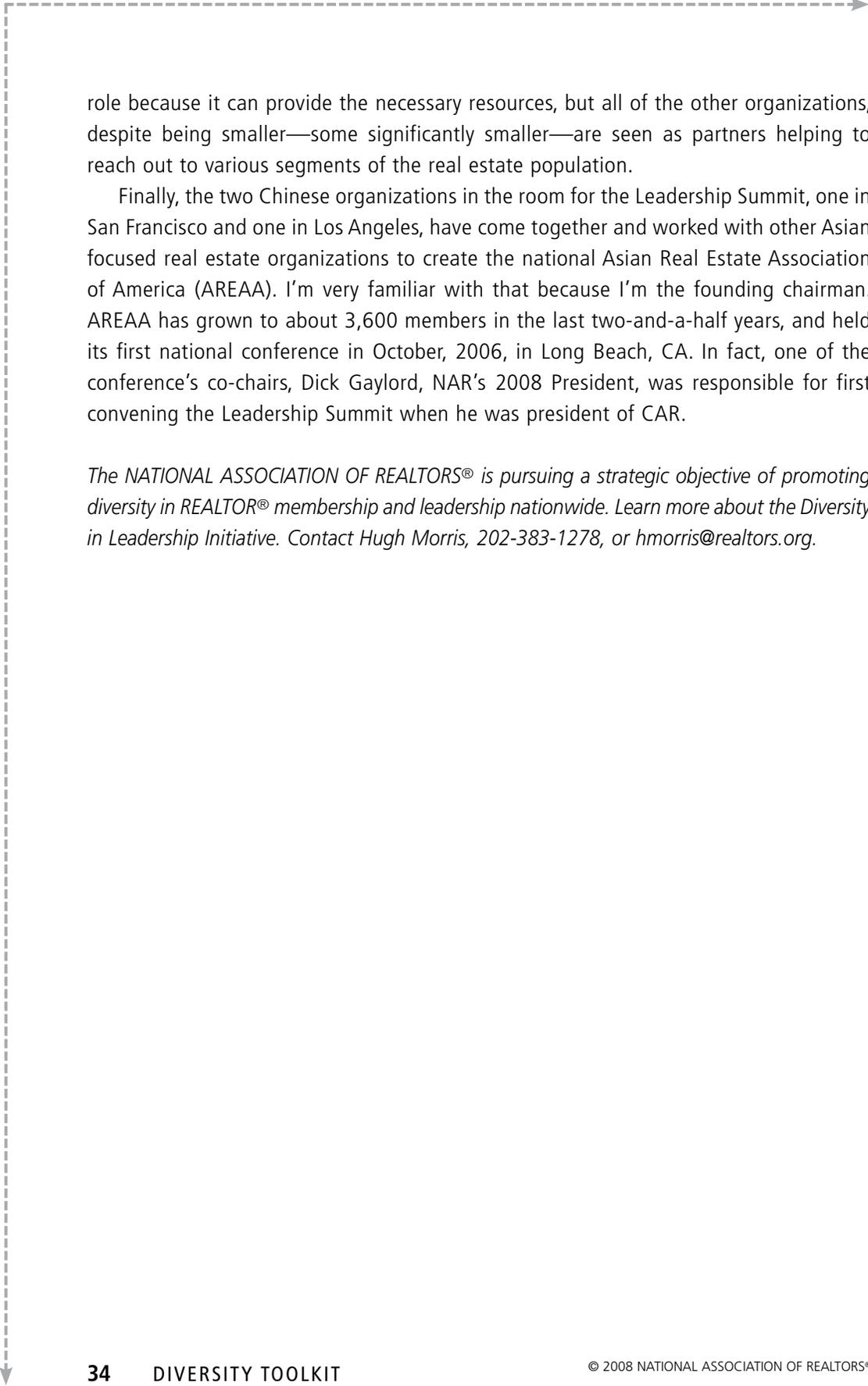
Some discussions dealt with the impact of the racial prohibitions in covenants, conditions, and restrictions for subdivisions. Many older deeds of trust include restrictions against selling to various races. Now, when you have grant deeds and title reports, there is a comment in front that says anything discriminatory—anything that makes reference to race or ethnic backgrounds and prohibitions—is not valid. That addresses the issue from a legal standpoint, but what the California Association of REALTORS® leadership did not understand was the emotional impact such language had on individuals of these various ethnic groups.

There was real passion in the room, people talking about what it actually feels like to see this, even though it's in big bold type that this is illegal, to actually see it and have to explain it to your children. It opened up a deeper understanding.

As a result, now in California, for a modest fee, a buyer can have such language expunged from the grant deed. In the process of discussion, the practitioners from the various ethnic communities came to understand the complexities involved. Who's going to pay for it? What happens when you change one deed in a subdivision? Do you have to change all the rest? And so on. The solution we came up with wasn't overly burdensome on anyone.

Richard Mendenhall, before he was President of the NATIONAL ASSOCIATION OF REALTORS®, attended some of the Summit sessions and saw the value of different associations working together. Not being absorbed by one or the other but just working together for information.

When he became President of NAR, Mendenhall helped to create the Hope Awards, currently given by a group of real estate industry organizations including NAR, CAREB, CREAA, CAREPA, the Asian Real Estate Association of America, the National Association of Real Estate Brokers, and the National Association of Hispanic Real Estate Professionals. Every other year, the Hope Awards give \$10,000 apiece to individuals or organizations whose programs have demonstrated a benefit to minority homeownership. The honorees get the chance to present their programs at the National Press Club in Washington, D.C., and receive their award at a very well-attended gala in D.C. It is the first award of its kind, and its fourth event will be next year. NAR plays a gigantic



role because it can provide the necessary resources, but all of the other organizations, despite being smaller—some significantly smaller—are seen as partners helping to reach out to various segments of the real estate population.

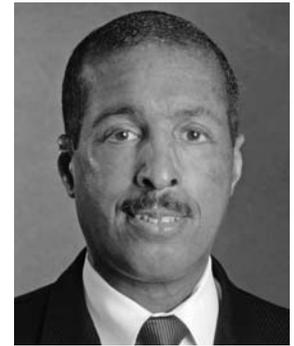
Finally, the two Chinese organizations in the room for the Leadership Summit, one in San Francisco and one in Los Angeles, have come together and worked with other Asian focused real estate organizations to create the national Asian Real Estate Association of America (AREAA). I'm very familiar with that because I'm the founding chairman. AREAA has grown to about 3,600 members in the last two-and-a-half years, and held its first national conference in October, 2006, in Long Beach, CA. In fact, one of the conference's co-chairs, Dick Gaylord, NAR's 2008 President, was responsible for first convening the Leadership Summit when he was president of CAR.

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“Giving Back”—Why It’s Worth the Effort

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

For Oakland’s William E. Brown, real estate runs in the family. “My father started the business more than 50 years ago,” says the head of William H. Brown, REALTOR®, “and I believe it’s important to give back to an industry that’s been so good to my family.” The top East Bay broker has done just that. Brown chaired the political action committee (PAC) of the NATIONAL ASSOCIATION OF REALTORS® (NAR) in 2004 and became the first African American president of the California Association of REALTORS® (CAR) in 2008.



William E. Brown

But Brown also recognizes the obstacles to greater participation by minorities in REALTOR® associations, especially the time requirements, which need to be balanced against time spent with loved ones and time building a business. “Striking a balance between business and family is hard,” Brown says. “Furthermore, because there are more agents, there is more competition, and agents have to spend longer hours at the office.” Contemplating the numerous meetings required of an association leader, Brown explains, many opt out.

He urges them to reconsider. “It’s about size and political clout,” says Brown, who once headed CAR’s legislative committee. “The financial resources and the people who work for CAR and NAR give them the ability to get things done in the industry.”

Like what? Diversity, for a start. “CAR should look like the home-buying public. It doesn’t yet, but it’s a lot better,” says Brown. He points to CAR’s minority outreach programs as a powerful force for change. “Outreach is something you can’t do on the phone,” he notes. “But the association is making real connections with all segments of the membership.”

Brown’s successful career demonstrates that minority participation in association leadership is well within reach. This may not be obvious to all. “Too many people, especially African Americans, think the organizations are like they were in the ‘70s, when there were zero black directors,” Brown explains. Those days are gone forever. “Get involved, no matter what,” he says. “If you like the way things are going, get involved and participate. If you don’t like what’s going on, get involved and change things.”

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.



“You Need One Person To Reach Out to You”

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

Real estate has been an important part of Alex Chaparro’s life since he was young. “When my grandmother came to the United States with 12 kids, the first thing she did was buy a home,” says Chaparro, the first Latino to be elected president of the Chicago Association of REALTORS® (C.A.R.).

“We were taught from an early age that owning a home was the key component to establishing yourself in this country, finding wealth, and living a better life.” Chaparro’s mother led by example—she also is a practicing REALTOR®. “I learned from her the importance of being part of the Association,” he says. “I also learned that in order for there to be fairness and equal opportunity within C.A.R.—and in housing in general—we [Latinos] had a responsibility to make sure our voice was at the table.”

Chaparro has met that responsibility at every turn. A REALTOR® for 17 years, he founded the Chicago chapter of the National Association of Hispanic Real Estate Professionals (NAHREP) and joined C.A.R.’s committee structure, chairing both the Cultural Diversity Committee and the Professional Standards Committees and eventually becoming president. “Latinos are the second largest minority group in Chicago, and I am excited and proud to be the first Latino president,” he says. But Chaparro is quick to add that no successful REALTOR® can go it alone. “You need one person to reach out to you to get you started,” he says. “In my case, it was [former C.A.R. President] Robert Zoretich. He really encouraged me to get involved with the committees.”

Like his mentors, Chaparro has his eyes trained on the next generation, and urges his REALTOR® colleagues to do the same. “This industry has been good to my family,” says the father of two young sons, “and I need to give back and help others get involved as well. There are a lot of people who are volunteering and working hard for our interests, and someone needs to be ready when they move on.”



Alex Chaparro

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.



“Where the Personal, Professional, and Political Merge”

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

When T. Anthony Lindsey was considering a second career in real estate, the considerable financial rewards were compelling. But he had a larger mission: to put low- and moderate-income families in their own homes. This drew him to leadership.

Lindsey is now serving his second term as chairman of the City of Charlotte’s Housing Trust Fund Advisory Board and is on the board of the North Carolina Association of REALTORS® (NCAR). Since 2003 he has served the NATIONAL ASSOCIATION OF REALTORS® (NAR) as Federal Political Coordinator (FPC) for Rep. Mel Watt of North Carolina’s 12th Congressional District, who was formerly the chair of the Congressional Black Caucus (CBC). Through the REALTOR® associations, Lindsey has worked to organize Housing Opportunity Foundations on the state and local level. Below, Lindsey reflects on his path to leadership:



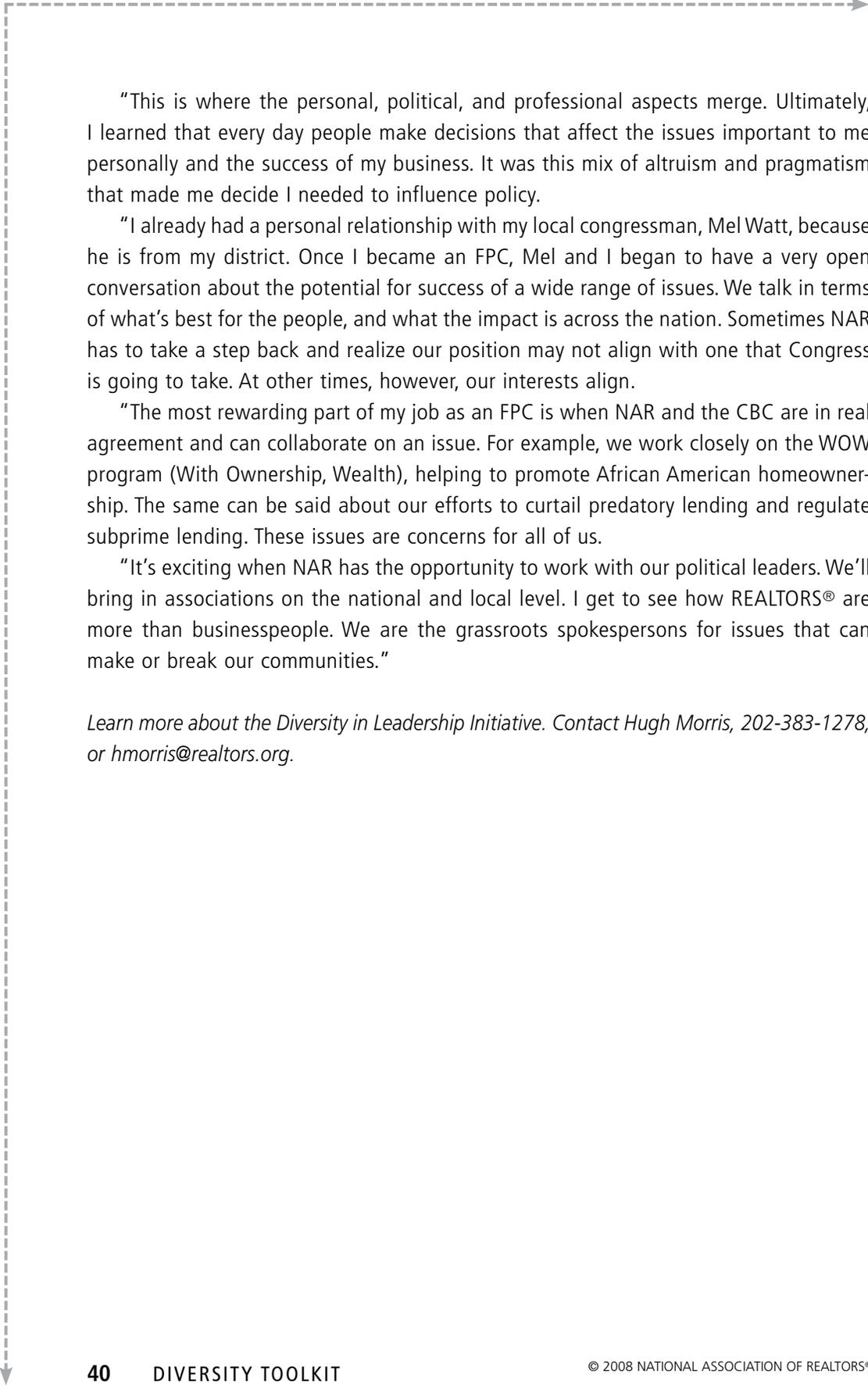
T. Anthony Lindsey

“I see the real estate profession from many perspectives. Prior to my career in real estate I was in the telecommunications business in New York City. But when my family moved to North Carolina, I wanted to pursue an occupation in which I could have unlimited income potential and make a positive impact on someone’s life.

“I grew up in a low-income household and lived in substandard housing. My parents were day laborers and sharecroppers on a farm in North Carolina. That is why I came up with the notion that’s driven me throughout my career in real estate: We can make a real difference in people’s lives by helping them afford safe, decent housing. And we can help get them into housing by giving these individuals a human face.

“I realized early on that to transform people’s understanding you have to influence the way we regard lower-income people in this country. I want people to understand that low- and moderate-income families are the ones who maintain the infrastructure of our lives; the core of our communities are often our lowest-income wage earners.

“I’m talking about the people who take care of the hotels and restaurants we visit, the nurse’s aides who work to protect our health, and the people who take care of our children. In some places they are the police and firemen, and they cannot afford to live in the districts they serve. Communicating this to people has been a major driver for me.



“This is where the personal, political, and professional aspects merge. Ultimately, I learned that every day people make decisions that affect the issues important to me personally and the success of my business. It was this mix of altruism and pragmatism that made me decide I needed to influence policy.

“I already had a personal relationship with my local congressman, Mel Watt, because he is from my district. Once I became an FPC, Mel and I began to have a very open conversation about the potential for success of a wide range of issues. We talk in terms of what’s best for the people, and what the impact is across the nation. Sometimes NAR has to take a step back and realize our position may not align with one that Congress is going to take. At other times, however, our interests align.

“The most rewarding part of my job as an FPC is when NAR and the CBC are in real agreement and can collaborate on an issue. For example, we work closely on the WOW program (With Ownership, Wealth), helping to promote African American homeownership. The same can be said about our efforts to curtail predatory lending and regulate subprime lending. These issues are concerns for all of us.

“It’s exciting when NAR has the opportunity to work with our political leaders. We’ll bring in associations on the national and local level. I get to see how REALTORS® are more than businesspeople. We are the grassroots spokespersons for issues that can make or break our communities.”

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.

“Invisible In Plain Sight” No Longer

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

Charles McMillan had no intention of becoming a REALTOR® when he completed his service in the Air Force during the Vietnam War. At first, he counseled teens with drug problems, then he took an administrative position that took him to Dallas/Fort Worth in the late 1970s.

But then, he decided to invest in real estate. “I went to real estate school to learn how to make a smart investment,” he recalls. “I didn’t think of real estate as a career because it wasn’t offered to me as an option.” As an African American, McMillan feels, he was “invisible in plain sight”—overlooked because his race simply wasn’t well represented. But when his classmates got their licenses, he did, too. He found he had a gift for selling real estate. “I helped out seasoned brokers with what I had learned at school,” he says. “I just did my best.”

Nearly three decades later, McMillan is director of realty relations and principal broker for Coldwell Banker Residential Brokerage, Dallas/Fort Worth. He became First Vice President of the NATIONAL ASSOCIATION OF REALTORS® (NAR) in 2007 and was named President-Elect in 2008.

Mentors Led the Way

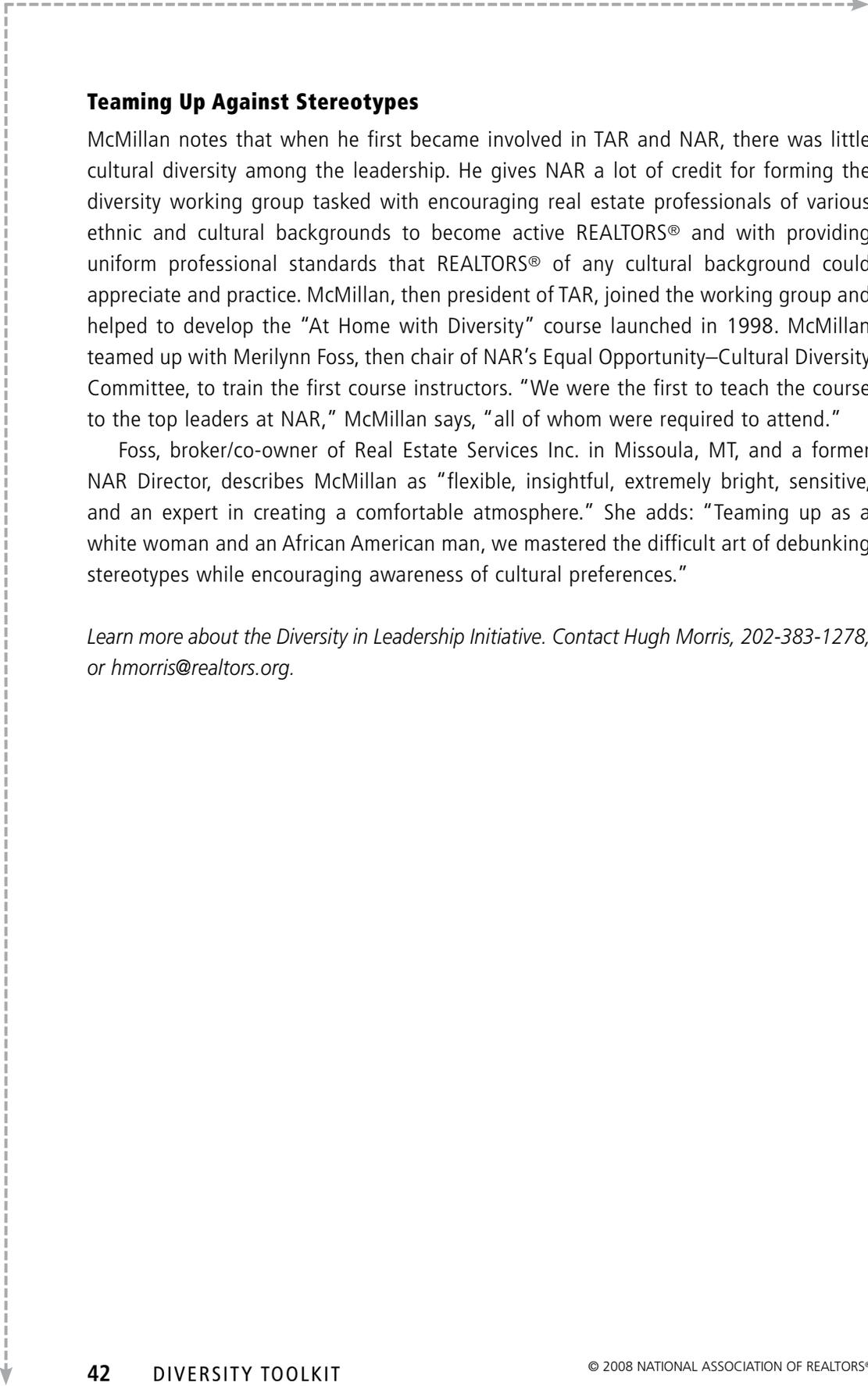
In the early years, when he was trying to establish himself in the profession, McMillan met Thomas Shadowens, a REALTOR® who also was African American and who became his first mentor. A “pioneer and gentleman,” in McMillan’s words, Shadowens died in 2000 at age 89. Others also helped the young man advance, including Sherry Matina (now executive vice president of Wm. Rigg Inc.) and Travis Kessler (CEO of the San Antonio Board of REALTORS®).

But McMillan’s career went into high gear when he became active in the Greater Fort Worth Association of REALTORS® in the 1980s. He rose to the presidency in 1991, then was elected to the Executive Board of the Texas Association of REALTORS® (TAR) in 1992, the same year he became vice chair of NAR’s Urban Affairs Committee.

“No day was a dull day,” McMillan recalls. “I wore a lot of different hats and consulted on a variety of areas in real estate.” NAR now recognizes McMillan as a subject-matter expert in the areas of agency, antitrust, diversity, fair housing, and misrepresentation.



Charles McMillan



Teaming Up Against Stereotypes

McMillan notes that when he first became involved in TAR and NAR, there was little cultural diversity among the leadership. He gives NAR a lot of credit for forming the diversity working group tasked with encouraging real estate professionals of various ethnic and cultural backgrounds to become active REALTORS® and with providing uniform professional standards that REALTORS® of any cultural background could appreciate and practice. McMillan, then president of TAR, joined the working group and helped to develop the “At Home with Diversity” course launched in 1998. McMillan teamed up with Merilynn Foss, then chair of NAR’s Equal Opportunity–Cultural Diversity Committee, to train the first course instructors. “We were the first to teach the course to the top leaders at NAR,” McMillan says, “all of whom were required to attend.”

Foss, broker/co-owner of Real Estate Services Inc. in Missoula, MT, and a former NAR Director, describes McMillan as “flexible, insightful, extremely bright, sensitive, and an expert in creating a comfortable atmosphere.” She adds: “Teaming up as a white woman and an African American man, we mastered the difficult art of debunking stereotypes while encouraging awareness of cultural preferences.”

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.

One-on-One Strategy Works in Maryland

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

What is the key to improving diversity in leadership? For JoAnne Poole, the first member of a minority group to serve as president of the Maryland Association of REALTORS®, it is people helping people.

"The movers and shakers of the REALTORS® world have to learn that mentoring is important; there are people who need your knowledge," she says. "If there isn't a diverse population of individuals participating in your association, it's not that they don't exist. It may be that they're not coming forward, because they don't know there are leadership opportunities available to them."

How to reach them? Poole recommends the personal touch. "I am a person who likes to hold one-on-one conversations," she explains. "The benefit is that people are more willing to open up and share their experiences." This approach has worked for her. She currently chairs the Federal Housing Policy Committee of the NATIONAL ASSOCIATION OF REALTORS®, where she has earned a reputation as a likeable yet relentlessly outspoken advocate for her constituents' interests.

At the state level, she was instrumental in developing the Maryland Association of REALTORS® Leadership Academy, which helps local associations groom potential leaders from all ethnic and racial backgrounds. The face-to-face interaction that Poole favors has helped the Leadership Academy recruit a now-lengthy waiting list. "The second class was popular because the first class went to people one-on-one and attracted them," Poole reports. "Now the Academy is so successful that we have more people apply than we have spaces to logistically accommodate. Our membership is looking very diverse."

Poole cites another reason for the Academy's popularity: "It helps people build confidence. They become more aware of the skills and experience they currently have that can be tailored to use in a leadership position within their association, and each graduating class forms a strong network and a bond of support." But private, interior battles must be won as well. "I encourage others to look beyond the barriers in their minds and the 'stop signs' that they may have placed on their ability to attain leadership positions," she says. "There are glass ceilings, but they were made to be broken. It happens all the time."



JoAnne Poole

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.



Early Setbacks No Obstacle To Reaching the Top Ranks

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

Two important personal qualities have distinguished the career of Victor Raymos, a New Mexico broker: first, the tenacity he displayed to reach the highest level of leadership in the REALTOR® Association of New Mexico (RANM), and, second, his passion for mentoring the next generation to follow in his footsteps.

Surprisingly, Raymos' first attempts to join the REALTOR® leadership were unsuccessful. "I ran for treasurer of the state association," he says. "There were three candidates and I came in third. But I continued to participate. The next time, I was elected treasurer, and I continued to move up through the chairs, eventually becoming president."

In 2008, he began serving a three-year term as an elected director of the NATIONAL ASSOCIATION OF REALTORS® (NAR) from RANM.

What did this experience teach him? "Be determined and persistent," he says. "If you don't participate, you don't have the right to complain."

President of RANM in 2006, Raymos is also a co-founder and current president of the New Mexico chapter of the National Association of Hispanic Real Estate Professionals (NAHREP) and serves as national director and chair of NAHREP's Audit Committee. He was also elected national treasurer for 2007.

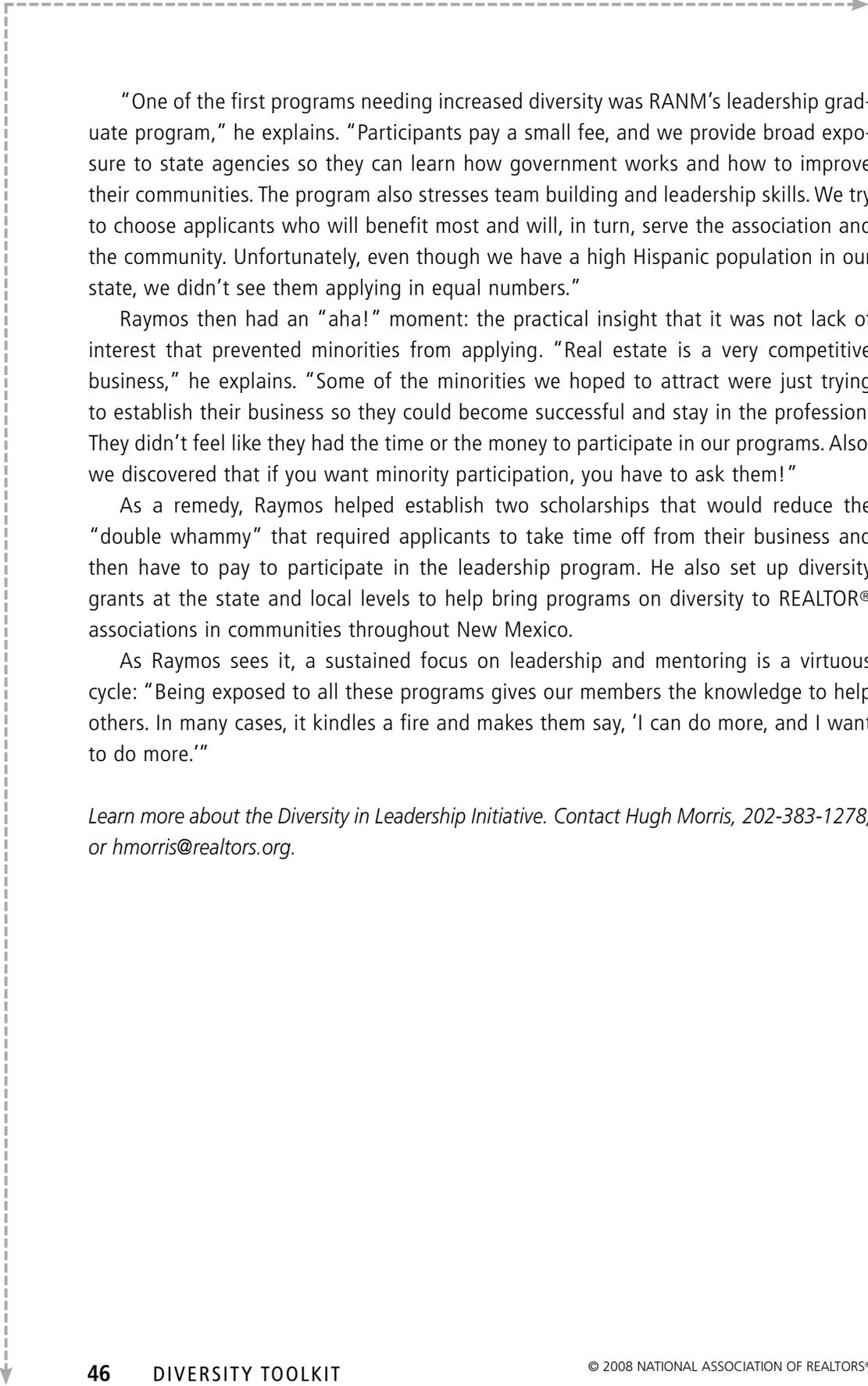
He contributes to NAR at the national level as a member of the Finance Committee and the Equal Opportunity–Cultural Development Committee. He is past chair of the Equal Opportunity–Cultural Development Forum.

Raymos' initial reasons for assuming a leadership role in RANM and NAR were not specifically about diversity. Being a leader was simply part of who he was. Prior to becoming a REALTOR® Raymos had pursued a distinguished career as CEO of three separate law firms.

When he led the New Mexico association, however, the theme of his presidency was "Diverse Leadership for Continued Success." How did he become such a believer in fostering diversity? Recognizing that the local association needed to become more reflective of its members, Raymos also saw how RANM could benefit more fully from the knowledge and experience its diverse membership offered.



Victor Raymos



“One of the first programs needing increased diversity was RANM’s leadership graduate program,” he explains. “Participants pay a small fee, and we provide broad exposure to state agencies so they can learn how government works and how to improve their communities. The program also stresses team building and leadership skills. We try to choose applicants who will benefit most and will, in turn, serve the association and the community. Unfortunately, even though we have a high Hispanic population in our state, we didn’t see them applying in equal numbers.”

Raymos then had an “aha!” moment: the practical insight that it was not lack of interest that prevented minorities from applying. “Real estate is a very competitive business,” he explains. “Some of the minorities we hoped to attract were just trying to establish their business so they could become successful and stay in the profession. They didn’t feel like they had the time or the money to participate in our programs. Also, we discovered that if you want minority participation, you have to ask them!”

As a remedy, Raymos helped establish two scholarships that would reduce the “double whammy” that required applicants to take time off from their business and then have to pay to participate in the leadership program. He also set up diversity grants at the state and local levels to help bring programs on diversity to REALTOR® associations in communities throughout New Mexico.

As Raymos sees it, a sustained focus on leadership and mentoring is a virtuous cycle: “Being exposed to all these programs gives our members the knowledge to help others. In many cases, it kindles a fire and makes them say, ‘I can do more, and I want to do more.’”

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.

Standards Issues Draw Filipino Broker into Leadership

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

Professional standards figure prominently in the career of Edwin Resuello, broker-owner of Silicon Valley Homes. In fact, one might say his path toward leadership was secured by a colleague's error. When a fellow agent misused a lock box, Resuello filed a complaint with the Santa Clara County Association of REALTORS® (SCCAOR). As a result, Resuello was invited to join the Grievance Committee, and later decided cases on the Arbitration and Professional Standards Committee. American-born of Filipino lineage, Resuello chaired the Equal Opportunities Committee in 2003 and became President of SCCAOR in 2007.

Resuello praises two past presidents as effective mentors. "Michael Donohoe and Stephen Hanleigh were like college counselors," he says. "They didn't push me into a predetermined slot, but showed me several leadership options. And they encouraged me to be broad-minded, to learn about several aspects of organized real estate, not just professional standards."

A diverse professional background comes easily to Resuello. Before receiving his real estate license in 1991, he worked as a stockbroker and as an adviser to Chinese investors in the restaurant and nightclub business. After his term as president is over, Resuello may seek a leadership role at the state level. He and his wife, Jennie, will also continue their television show, "Valley Homes on TV," which features advice about homeownership and the real estate market.

He notes that of about 500,000 people with real estate licenses in California, only about 200,000 are REALTORS®. In order to improve these numbers, he says, it's up to REALTOR® associations to reach out to new members representing every demographic sector and encourage them to be involved in organized real estate. Resuello already has some potential future leaders in mind: "I'd like my teenage kids to go into the business," he says.



Edwin and Jennie Resuello

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org.



A Career Worthy of a Magazine Cover

The NATIONAL ASSOCIATION OF REALTORS® is pursuing a strategic objective of promoting diversity in REALTOR® membership and leadership nationwide.

The following is excerpted from the January 2006 *Real Estate Executive* magazine, Chicagoland Edition:

Nancy Suvarnamani is president of Century 21 S.G.R., Inc., a full-service agency that under her leadership has grown from five agents in one office to over 100 agents in three offices. In September 2005, Suvarnamani was named the 122nd president of the Chicago Association of REALTORS® (CAR), becoming the first Asian-American president in its history.

Century 21 S.G.R. offices have consistently received the Century 21 Quality Service Award, signifying that over 95 percent of clients have rated their experience with Century 21 S.G.R. as highly positive. Every year since 2002, the company has received the prestigious President's Award, which signifies both an extraordinary level of production and an extremely high degree of customer satisfaction.

Suvarnamani also received an honor as the second leading sales associate in the Century 21 Metropolitan Chicago Region with earned commission of \$752,000 in 2000. In 2004, Suvarnamani received the CAR Outstanding Sales Achievement Award as a top residential producer.

Over the years, Suvarnamani has served in leadership roles in the NATIONAL ASSOCIATION OF REALTORS®, the Illinois Association of REALTORS®, Century 21 Broker Council, and the International Real Estate Federation.

Her success is an inspiration to others. In July 2000, she received accolades from *Today's Chicago Woman* (TCW) as one of the "100 Women Making a Difference." In 2004 she was initiated into the "TCW 20th Anniversary Hall of Fame."

"While money is never an end in itself, it often does permit people to at least pursue their dreams," she says. "The opportunities to make money for anyone who wants to work hard and learn are endless today in America. I want others, especially women and minorities, to understand that if you have a mindset of success, then the sky is the limit."

Learn more about the Diversity in Leadership Initiative. Contact Hugh Morris, 202-383-1278, or hmorris@realtors.org. (Reprinted with permission. For more about Real Estate Executive magazine, contact the publisher, Andy Rees, arees@reemagazine.com.)



Nancy Suvarnamani

Steps an Association Can Take to Promote Diversity in Leadership

1. Understand the motivating forces.

Why is it important for your association to improve representation of certain groups in its leadership? Any of the following is a good reason:

- Changing demographics
- Growing international market
- New political forces in your community

2. Adopt diversity in leadership as a Board priority.

- Create a task force to begin work on a specific course of action
- Take steps to network with groups representing minorities in real estate
- Reprint "REALTOR® Success Stories" and "Why a Diverse Leadership?" articles in your association publication

3. Order a copy of the 2008 updated and expanded Diversity Toolkit, produced by the NATIONAL ASSOCIATION OF REALTORS® and the California Association of REALTORS® at www.realtor.org/diversity

- Best practices
- Understanding your market
- Innovative approaches that have worked for other associations

4. Apply to NAR for a Diversity Initiative Grant

Contact: **Hugh Morris**
Community Outreach Representative
NATIONAL ASSOCIATION OF REALTORS®
500 New Jersey Avenue, NW, Washington, DC 20001
Voice: 202-383-1278 Fax: 202-383-7580
hmorris@realtors.org



5. Sponsor the award-winning course At Home with Diversity®

- Make sure all the association's leaders take the course
- Ask the facilitator to devote time during the strategic planning session to diversity in leadership. For more information, call Ted Wright or Kyle Lambert London at 202-383-1201.



6. Learn the correct way to recruit prospective leaders from minority groups and invite them to take a more active role.

- See "Recruiting for Diversity" on page 11 of this booklet
- Remember, leaders are out there—you only need to find them and make the right offer

7. Share your association's success with others.

Contact Hugh Morris to discuss an entry in the next publication on the Diversity in Leadership Initiative.

Ambitious Outreach Programs Yield a More Representative Board

Summary

Diversity is at the heart of the Chicago Association of REALTORS® and its 17,000 member base. Learning directly from those members and incorporating diversity into its core mission have helped C.A.R. achieve diverse representation among its leadership as well. The message of the Association's diversity has been the core of its satellite "Member Outreach" meetings in different parts of the city, providing forums for members to share their views and bolstering volunteer recruitment for C.A.R. committees.

Personal contact with potential leaders who have been recommended by their peers has also contributed to a significant rise in the number of brokers seeking to serve on the Association's board of directors. C.A.R.'s varied training program and its close cooperation with NAR provide additional incentives and preparation for emerging leaders.

In addition, aggressive efforts to create more formal relationships with other associations have led to greater responsiveness to a wide variety of community concerns and have positioned REALTORS® to capture Chicago's growing international market. Because of these concerted efforts and C.A.R.'s Board of Directors buy in, the Association's Cultural Diversity Committee is deeply involved in developing policy for the Association as a whole.



System Is Based on Geography

The Chicago Association of REALTORS® (C.A.R.) began working to diversify its leadership more than 10 years ago, earlier than most associations. "We looked at trends in the Chicago marketplace and saw that a lot of the markets were fueled by immigration and first-time buyers, and a lot of those new immigrants were becoming REALTORS®," says John Kmiecik, former President of C.A.R.. "We wanted to get a true representation of those folks among the association leadership."

The association divided up the city using the same boundaries as in the Chicago Public School system. Each member of the Board was charged with representing a particular region, and C.A.R. held satellite meetings within each of these regions, asking attendees to volunteer for committee work.

These satellite "Member Outreach" meetings continue to this day. "Some of the officers and I go out to brokers and members on the north side, the south side, the west side,

the northwest side, and the southwest side of the city,” says Nancy Suvarnamani, C.A.R.’s former President. “We listen to what our members want us to do to help them—that’s a big part of our diversity efforts.”

The Personal Tap on the Shoulder

More directly, the Association asked brokers and members in each of these regions to recommend their peers, who were then contacted personally by members of the Board. “You have to ask people,” says Kmiecik. “It’s nice to put a general call out; it’s nice to put a notice in a magazine saying, ‘We need you as leaders.’ But unless you tap somebody on the shoulder, give them a little stroking, and say, ‘We think you are a good person and here’s why we’d like you to get involved; here’s the kind of difference we think you can make,’ most people won’t come forward.”

And the approach had great success. “Every year at C.A.R., we have one new officer coming in and perhaps four to six new directors being appointed [to a 20-member Board], because they’re staggered terms,” says Kmiecik. “When you have 45 to 50 people looking to fill five or six vacancies, that’s a pretty successful program.”

Partnerships Raise Awareness

C.A.R. made arrangements to collaborate with local chapters of such organizations as the National Association of Real Estate Brokers (NAREB), the National Association of Hispanic Real Estate Professionals (NAHREP), and the Asian American Real Estate Association (AAREA). C.A.R. invites representatives of those groups to its Board meetings to make presentations and help build awareness of the issues facing different cultural groups.

These relationships are part of how C.A.R. helps its members conduct more international business. “We want Chicago to be like Florida or New York: on the map when people and businesses are deciding where to go in this country,” says Suvarnamani. “REALTORS® in our association speak 55 languages, so people can come from Mexico, European countries, Thailand—anywhere in the world—and buy property. We have an International Committee, which helps our members with international real estate law, and our partnerships with groups, like AAREA, help educate our members on how to work with people from other countries.”

Cooperation with these organizations also helps C.A.R. broaden its recruitment pool. C.A.R. actually works with local chapters in its recruitment process. C.A.R. works alongside the ethnic association chapters to recruit real estate professionals, who then have dual memberships.

Making Diversity a Permanent Institution

C.A.R. converted its Fair Housing Committee to a Cultural Diversity Committee, making diversity part of the association’s permanent, core mission. Under the chairmanship of

Alex Chaparro, for the first time the Committee wrote a business plan, describing goals, the Committee's ideal makeup, and programming. As a result of this more structured approach, says Chaparro, where "we used to have 10 to 20 people at an event, now up to 150 attend, because we provide serious information that affects the way people do business." In part, that's because the Cultural Diversity Committee is deeply involved in developing policy for the whole Association.

A Three-Step Program for Diversity

In 2007, Chaparro became C.A.R.'s President, making him the first Latino President in the Association's 124-year history. He describes a three-step process for maintaining diverse members' active interest in becoming association leaders. "First, the way to engage people is to look at local and state legislation affecting housing or a given minority group," he says. "People become very passionate about these issues. When they see that their organization represents them and protects their interests, it invites them to get involved."

Second, he says, an organization needs to explain to the people it recruits that they need to develop certain skills to advance—and it needs to provide plenty of opportunities to develop and hone those skills. "People need to be mentored about what the process is, what commitment you need to have, what skills need to be developed," says Chaparro. "You need to learn about public speaking, you need practice at handling meetings—those things need to be taught, and someone needs to teach you." To provide that education C.A.R. offers both leadership retreats and on-the-job training; its staff works with Board members and committee leaders to keep them informed and prepared.

Third, he says, local organizations should follow the lead of the national association. "NAR has done phenomenal things as far as providing information on how to strengthen your Cultural Diversity or Equal Opportunity Committee," he says. "Local associations have to work with the national association to keep people's awareness alive and well, to keep communication flowing from the national to the state and local level."

When he visits members, Chaparro tells them that not only will they benefit from being involved in association leadership—by meeting a wide variety of people and learning about new trends in the industry—it is to a certain extent their duty. "We have a phenomenal industry that allows us unlimited opportunity," he says. "With that we have a responsibility to take care of our organization, to advance our profession for everyone."

"Get involved early," advises Suvarnamani. "Pay your dues. Be patient and be persistent."

To learn more, contact Ginger Downs, Chief Executive Officer, 312-214-5516, or gdowns@chicagorealtor.com.

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Knowing Your Membership Helps to Bring Down Barriers

Summary

When the Denver Board of REALTORS® (DBR) launched its Diversity Task Force to boost minority leadership participation, it realized it lacked basic information with which to shape a more inclusive approach. In partnership with NAR, the Association enlisted a research firm to survey its members and gain a better understanding of their markets and their perceptions of the Association. With supporting insights from member focus groups, DBR applied the findings to create a diversity action plan that linked leadership development with stronger community outreach and cooperation with other real estate associations. Now, six years later, minority representation in DBR's membership and elected leadership is on the rise, and new professional affiliations and direct community engagement have enhanced REALTORS®' standing in Denver's diverse neighborhoods.

Diversity Task Force Considers New Practices

Increasingly diverse markets are emerging across the United States, and leaders at the Denver Board of REALTORS® (DBR) know that Colorado is no exception. Between the 1990 and 2000 census the state saw a 73 percent increase in the number of Hispanic residents, a 67 percent increase in its Asian population, and a 24 percent increase among African Americans—all outstripping the increase in Colorado's white, non-Hispanic population. Meanwhile, the DBR membership retained essentially the same racial and ethnic composition it had a decade earlier. The leadership grew concerned. It established a Diversity Task Force to respond to Colorado's changing marketplace, which, according to the Selig Center for Economic Growth at the University of Georgia, ranks among the top 10 states for percentage increase in minority buying power and has a rate of Hispanic home ownership higher than the national average.

It was time for the oldest trade association in Colorado to develop new, more responsive business practices. The question was how.

Research Partnership with NAR Gathers Essential Information

DBR's Diversity Task Force (since renamed the Outreach Task Force) was originally led by Elisa Guida, a young, dynamic attorney from California. The task force discussed several approaches, including cultural awareness courses, leadership training, minority staff recruitment, and geographic representation for DBR elections.



When Barbara Lambert took the helm as CEO in 2001, she realized that DBR lacked the basic membership information needed to shape an effective approach to attaining diversity within the association. Lambert enlisted the active involvement and financial support of the NATIONAL ASSOCIATION OF REALTORS® (NAR) to conduct a membership study to gain a better understanding of:

- The demographic makeup of DBR's membership
- Members' attitudes toward the association and its services
- The impact of demographic changes in the market on members' business practices

NAR has supported research based efforts to address diversity and inclusion issues at local associations since 1996. By 2002, when it established the partnership with DBR, NAR had already been involved in similar membership research activities in eight other major metropolitan areas. These efforts also served as a proving ground for new program ideas to increase minority representation in the profession and in professional leadership.

Membership Survey, Focus Groups Yield Insights into Perceived Bias

"The board was totally committed to this," Lambert says of the membership study. Under the leadership of the Diversity Task Force, DBR and NAR worked with a consultant to develop a nine-month work plan that included a research component and a process for developing recommendations based on the results. DBR and NAR each contributed about \$13,000 and significant staff resources to the effort.

In spring 2002, the research firm conducted a telephone interview survey among DBR members. In all, 200 REALTORS® selected at random from the DBR membership roster (about 2,500 members at the time) completed the 40-question survey, which took on average about 14 minutes to complete. Of the respondents, about 84 percent were nonminority and 16 percent of minority background.

Survey responses were similar across the groups on many questions—time and "other priorities" were consistently mentioned as the main obstacles to becoming involved with DBR. But some important differences emerged. Full-time, nonminority, male REALTORS® were more likely than other members to be involved in DBR and interested in serving on the board or in an elected office. Minority respondents were more likely to respond that minorities were underrepresented in the leadership of DBR. Minority and female REALTORS® expressed greater interest in leadership development programs.

The telephone survey also asked REALTORS® what they were doing to adapt to the emerging market. Most replied "nothing." At about the same time a U.S. Department of Housing and Urban Development study found that African American and Hispanic rent-

ers and homebuyers faced discrimination rates of 15 to 20 percent in the Denver area. In fall 2002 the consultant to DBR and NAR conducted three focus groups designed to obtain more in-depth feedback: one group of three African American REALTORS®, another of three Hispanic REALTORS®, and the third six non-minority REALTORS®.

All minority REALTORS® in the focus groups spoke about perceived barriers to participation. These included an unwelcoming environment and bias against solo and smaller offices where they are more likely to work; meetings and classes held at a location less convenient to them; and difficulties getting elected to leadership positions within DBR.

Diversity Action Plan Focuses on Outreach, Collaboration

Based on the survey and focus group findings, the research team made a number of recommendations. DBR used the findings and recommendations to create an action plan that focused on improving membership outreach, providing leadership training, and cementing partnerships with minority REALTORS® organizations through joint programs and leadership liaisons.

Immediate Past President Derek Camunez was on the board during the survey and the creation of the action plan. “Embracing diversity really was fairly painless,” Camunez says. “We went through a period of education, but there was no real opposition.” He credits the relative ease of the action plan’s acceptance to numerous DBR leaders and members who understood that this was the “right thing to do” in order to both create a positive perception among the public and improve members’ business opportunities.

The board launched its diversity initiative through a publicity campaign, with announcements to other associations, communications to DBR members, and letters to managing brokers of real estate agencies. DBR also recognized that diversity in leadership runs parallel to the broader goal of effectively serving diverse communities. Through greater and direct involvement to help strengthen minority neighborhoods, the association gains a more complete picture of those communities, as well as a deeper understanding of the issues that frequently arise in the everyday business of many minority REALTORS®.

The result has been an array of community outreach and service projects, including partnerships with public schools offering after-school consumer education classes for at-risk students with non-English-speaking parents; support of a Habitat for Humanity home; involvement in affordable housing initiatives; and collection of school supplies for needy children. DBR has also offered a series of well-attended classes to help REALTORS® attain basic Spanish language skills.

As part of the action plan, DBR leadership encourages collaboration with other real estate associations, as all parties benefit from the increased credibility and exposure gained through more cohesive professional advocacy and community outreach efforts.

Luncheons and receptions for the members and boards of directors of associations with which DBR has liaisons are, Camunez says, “basically mixers where we can all get to know each other better. From a business perspective, it has been very beneficial to learn about other markets and their needs.”

Lambert notes that DBR recently changed its bylaws to give voting privileges to representatives of the National Association of Real Estate Brokers (Realtists) and the Colorado Association of Hispanic Real Estate Professionals who serve on DBR’s board. Soon, DBR expects to establish a liaison with an Asian real estate association.

Continuing Feedback Is Vital for Greater Inclusion and True Effectiveness

In 2001 only one member of DBR’s board of directors had a minority background. Now, of the 14 elected directors, six are Hispanic or African American. DBR membership has been growing by about 2 percent each year since 2002, and minority membership is on the rise. DBR enjoys greater involvement from African American and Hispanic members, more of whom are expressing interest in being part of the leadership structure.

“We’ve been successful in creating an environment that fosters inclusion,” Camunez says. Now the chair of Colorado’s Equal Opportunities Committee, Camunez is convinced that attention to diversity has made DBR a more effective organization. “Strengthening the public’s perception of REALTORS® is key. We are in a period of flux right now with all the new technologies, and it’s important to show the public the professionalism and value that REALTORS® bring.”

While the Denver Board of REALTORS® has achieved greater diversity among its leaders and membership in recent years, Camunez and Lambert agree that DBR faces an ongoing challenge. The next phase of DBR’s action plan will include feedback from affiliated real estate associations. “Our goal was not just outreach and collaboration,” Lambert says, “but to continue to analyze how effective these actions have been.”

To learn more, contact Barbara Lambert, Chief Executive Officer, 303-300-8485, or blambert@denverboardofrealtors.com

Academy Fosters New Way of Looking for Leaders

Summary

Rapidly changing demographics in communities throughout Maryland are reshaping the state's real estate markets and the membership base of local REALTOR® associations. As part of its commitment to identifying and cultivating leaders from diverse communities statewide, the Maryland Association of REALTORS® (MAR) established the MAR Leadership Academy, which offers a seven-month training course in such topics as leadership, team building, economics, and diversity training. Classes of up to 20 REALTORS® meet one day per month, with participants selected for broad diversity—in age, professional experience, race and ethnicity, gender, and geography. The emphasis is on personal growth, overcoming barriers, and learning from one another, with informal bonding and mentoring contributing much to the Academy's success and the forging of new networks. Recruitment was initially through word of mouth; now, local REALTOR® boards actively promote the Academy to their members and often absorb the cost of participation. As the list of applicants grows, MAR and local associations can also measure the success of outreach efforts in the growing diversity of Maryland REALTORS® and a strong record of electing qualified minority leaders at the local and state levels.



Are You Looking?

According to Maryland Association of REALTORS® (MAR) Past President JoAnne Poole, diversity in leadership begins with a willingness to see what is really going on in the marketplace. "As you travel around," she says, "you hear, 'We don't have a diverse market,' or 'We don't have problems with diversity in our leadership and membership.'" Her response: "Sure you do. Everybody does. Are you looking? A huge piece of the puzzle is that you have to look."

Poole and other MAR leaders do not have to look far to see how the changing demographics in Maryland's communities are affecting its real estate markets. In Howard County, located between Baltimore and Washington, D.C., the percentage of foreign-born residents, including from Asia, Latin America, the Middle East, and Africa, has risen from 6 percent to more than 11 percent of the county's population in just a decade.

The rapidly changing demographics in Howard County and many other Maryland communities created new challenges in the housing market and for state and local associations. The Howard County Association of REALTORS® (HCAR) Board of Directors

recognized that the first two years are crucial in a REALTOR®'s career and made it a priority to train new members. "We did actual outreach to our members to find out how to make them feel comfortable," says HCAR Executive Vice President Ramon Estrada, "and to make sure that those already serving on committees felt welcomed to move up into leadership positions."

Committed to Diversity from the Start

MAR also made a commitment to identifying and cultivating leaders from diverse communities statewide when it established the MAR Leadership Academy. Among the goals of the Academy are to broaden the pool of individuals groomed for leadership positions in their local associations and to develop and train individuals who are not already in the pipeline.

The Academy offers a seven-month leadership training course to a class of 20 or fewer REALTORS® carefully selected for diversity in age, experience, gender, geography, and race and ethnicity. Among the personal qualities the Academy looks for in applicants are:

- Motivation
- Willingness to get involved
- Openness to new ideas

The class meets one day per month, and topics include leadership, team building, visioning, economics, and diversity training. There are no quizzes or exams, nor does the program provide continuing education credits or a specific credential. Program leaders insist that the program is about personal growth—not adding initials to one's résumé. In 2007 the Academy graduated its seventh class of leaders, and interest and support for the program have grown each year.

"We made sure that the planning committee itself was diverse," says Mary Antoun, CEO of MAR. "Like all communities, diverse communities have their own network. When you make an effort to reach out and include people—and they believe in it, are active in it, and can spread the work among those they know—this is worthwhile."

Participating in the Leadership Academy builds confidence as well as the skills to lead. According to Poole, it also helps overcome barriers. "In some cases," she says, "people have been made to feel that it's okay to work with buyers and sellers but that it's not okay to be in a position of leading people in an organization."

The bonding and informal mentoring that occur among classmates are additional keys to the Academy's success. In a typical class, about a quarter have been licensed fewer than five years, while a similar percent have been in the business between 15 and 20 years. Classmates quickly appreciate how much they can learn from one another.

A Strategic Approach Ensures Recruitment Success

Initially, word of mouth spread the news about the Leadership Academy among existing networks. Favorable comments from the first graduating class helped attract people to the second class. Local boards, as well, promote the Academy to their members enthusiastically. "Most of the interest in attending the Leadership Academy comes through our local associations," Antoun says, "and they have done a good job of reaching out to minority groups."

Many local boards not only promote the Academy but also back up their commitment with financial support. The cost per individual to attend the Leadership Academy (\$650 in 2006) is often absorbed by local associations (the state association subsidizes some programmatic costs), and these subsidies have helped the Academy recruit a diverse class.

"I think that local associations should take a closer look at *all* of their minority populations and *all* of their members," says Poole, a founder of the Academy. "Don't wait to see the credentials. Seek people out. Let them know about the opportunities that exist. Many people are leaders in other venues and bring with them leadership skills from their experiences that you may not be aware of."

Vision Becomes Reality

MAR measures the success of its diversity efforts by the growing diversity in its membership, the long list of applicants to the Leadership Academy, and the Association's track of record of electing qualified minority leaders at the local and now state levels. When Poole became the first minority person elected state president, she said, "For Maryland, the time was right, the community was ready, and our leadership was ready."

Current MAR President Ilene Kessler, who chaired the Committee that developed the curriculum, says, "We must be passionate about diversity. We are all learning, and we must keep diversity in our minds, especially those of us in leadership positions."

To learn more, contact Mary Antoun, Chief Executive Officer, 800-638-5425, or mary.antoun@mdrealtor.org

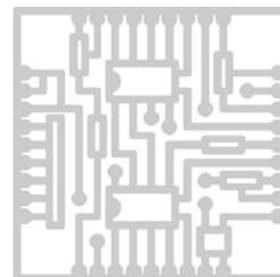
Professionalism and Diversity: Keys to Better Business

Summary

The Santa Clara County Association of REALTORS® (SCCAOR) serves an area that has seen a dramatic growth in the number of real estate agents in recent years, including many for whom English is a second language. The Association has responded with an innovative partnering and mentoring program, allowing it to seize the opportunity to diversify its leadership and more widely entrench the professional ethics and standards of REALTORS®.

For four years SCCAOR has provided seed money and organizational expertise to help establish or support associations of local minority real estate professionals, whose leaders operate closely with SCCAOR. With a grant from NAR, SCCAOR also encourages members of affiliate associations to enroll in train-the-trainer programs, further fostering both professional ethics and leadership recruitment.

With a revitalized Equal Opportunities Committee charged with making SCCAOR's board more reflective of its membership, the Association launched a "one-on-one" campaign—much of it carried out through scheduled informal discussions—to educate new members, identify potential leaders, and ensure that all layers of leadership endorse and communicate a clear and consistent message about the benefits and responsibilities of serving the profession.



Populating Silicon Valley with Affiliates

Even in the age of the Internet, home buyers still need to appreciate the value added by a real estate professional—in particular, a REALTOR® with professional standards and ethics. This is a firmly held belief of Edwin P. Resuello, broker-owner of Silicon Valley Homes and Past President of the Santa Clara County Association of REALTORS® (SCCAOR, pronounced "score").

In fact, Resuello's interest in upholding professional standards was what drew him into a leadership position in SCCAOR, where he found still other opportunities to be of service. Resuello is adamant that real estate professionals of all backgrounds do best when they support an organized trade association, and to this end he has helped SCCAOR affiliates proliferate throughout Silicon Valley.

SCCAOR has over 10,000 members and continues to grow rapidly. In 2005 about 200 new members joined SCCAOR each month. There has been an influx of people from the high-tech industry who have switched over to real estate; also people who

think real estate can be a part-time job, and many people for whom English is a second language. This last group provides SCCAOR with a great opportunity to find potential leaders and diversify leadership in the association.

Cross-Pollination Strengthens SCCAOR, Cultivates Diverse Leadership

Nearly everyone can benefit from mentoring, in which well-established, successful professionals share their experiences and advice with those newer to the field. SCCAOR's innovative approach to mentoring, however, forms a web of relationships that will foster a demographically balanced leadership in its association. Since 2003 SCCAOR has provided seed money and organizational expertise to help establish or support a variety of associations for real estate professionals with minority background.¹

Why foster organizations that appear to be competing with SCCAOR for membership? Resuello explains it this way: "I am passionate about professional standards and about organized real estate. The two go hand in hand. These associations help foster professional ethics, provide role models for each of the demographics represented in our expanding membership, and demonstrate how to earn a great living and abide by the ethical standards that the public deserves. What's good for our clients is basically what keeps us in business."

Leaders of the new associations operate closely with SCCAOR. One or two leaders from the associations are part of SCCAOR's Equal Opportunities Committee (EOC). The chairs of all SCCAOR committees, including EOC, meet monthly.² The presidents of all the associations, including SCCAOR, hold a Roundtable meeting twice yearly.³ This cross-pollination helps spread the word about professional standards and also cultivates new leadership for positions of greater and greater responsibility.

With the help of a grant from the NATIONAL ASSOCIATION OF REALTORS®, SCCAOR encourages members of the new associations to go through "train-the-trainer" programs for three courses: At Home with Diversity; Arbitration; and Contracts. This reaps a double benefit, as the new trainers increase their knowledge in these areas and as others who take courses from the new trainers see that they are taking leadership roles in SCCAOR.

Coffee Dates and Buy-In Heighten Effectiveness

Mentoring takes time and attention. In 2003 SCCAOR's nineteen-member board contained only two REALTORS® with minority background—one Hispanic and one Filipino-American (Resuello). But English was a second language for about 40 percent of SCCAOR's incoming members. Association President Michael Donohoe, Resuello, and others set about changing the leadership of the association to reflect the demographics of its newer members. Resuello headed up a revitalized Equal Opportunities Committee and began his "one-on-one" campaign to educate new members and find potential leaders. It's a relatively straightforward strategy that could work in other REALTOR® associations:

1. Find out “who is out there.” Real estate is about knowing what’s new, who’s doing what, and how well they’re doing. Apply this to identifying potential leaders. See which of the new members is outspoken or eager to get involved, successful in his or her own business.

2. Focus on individuals. Resuello finds that his most productive method is the one-on-one “coffee date”—a half hour’s informal discussion away from the office over a protein shake—and he arranged coffee dates about once every week or so. An important criterion for him is whether the person he’s considering for a leadership position is “passionate for organization.” Running a 10,000-member association such as SCCAOR is no small feat.

3. Get “buy-in.” Develop a message that is clear and that has the support of the association’s leaders. Then make sure that all levels of leadership “buy in” to the goals set forth in the association’s strategic plan. The association’s tasks and goals for each year should blend well with the latest strategic plan.

4. Speak with one voice. Have all layers of the leadership—board members, committee chairs, subcommittee chairs, and task force leaders—stay “on message.” Be clear about the responsibilities and benefits of taking an active role in running the association.

What’s in It for Me?

Mentoring is apt to be most effective when it relates to “the bottom line.” For a busy real estate professional trying to earn a living and maintain a family life, what are the benefits of volunteering for association work? “That’s one of the two questions I hear all the time,” Resuello says. His answer makes perfect business sense. When you are around like-minded, organization-oriented volunteers with a variety of backgrounds and areas of expertise, you learn a lot. It could be about how to run your business more efficiently, how to manage property, how to use technology, or how to manage your finances. Learning translates into earning.

And the second question he often hears? “How can I get to six figures this year?” Resuello sets out three actions. Tip One: Find a mentor among the top three agents in your company and do what he or she says without question. Tip Two: Get involved in an association committee. Tip Three: Don’t stop learning about the real estate business. “These activities pay off a hundred fold. I’m tracking two people this year to see how well they do.”

To learn more, contact Edwin Resuello, Past President, 408-223-3388, or edwin@resuello.com. Santa Clara County Association of REALTORS®, 408-445-8500.

Santa Clara County Association of REALTORS®

¹The Santa Clara County Association of REALTORS® provided \$1,500 to \$2,500 in seed money to establish several organizations, including:

- FAREPA - Filipino American Real Estate Professional Association
- HARA - Hispanic Association of REALTORS® and Affiliates
- COIAR - Council of Indo-American REALTORS®
- VAREPA - Vietnamese American Real Estate Professional Association

SCCAOR also sponsors events offered by the following associations:

- AREAA - Asian Real Estate Association of America
- NAHREP - National Association of Hispanic Real Estate Professionals
- WCR - Women's Council of REALTORS®
- CREA - Chinese Real Estate Association

Because start-up associations need more than seed money, SCCAOR has also:

- provided sample bylaws
- publicized membership drives
- helped with website templates and maintenance instructions
- provided education on Parliamentary Procedures & Roberts Rules of Order for conducting meetings
- set up seminars for leadership training
- introduced the association's executive officers to key media contacts and politicians
- taught budgeting procedures and forecasting.

²Outreach and liaison reports fill much of the agenda for the monthly meetings of SCCAOR's Equal Opportunities Committee under the direction of 2006 chair, Marica Saliba. Committee members focus on the activities of the nine associations SCCAOR has founded or supported, including the Asian Real Estate Association of America (AREAA), in which Saliba is a member. Often two or more associations will co-sponsor an event, such as a housing fair or luncheon. Members keep the committee apprised of the number of minority association members who have also joined SCCAOR.

³The Minority Association Roundtable is a more formal way for SCCAOR leadership to meet with the presidents of these associations. Topics listed on a recent agenda include insurance, membership, political activities, professional standards, reporting requirements, and SCCAOR support. The roundtable also focuses on areas of collaboration and concern.

State Study Yields Outreach, Leadership Courses at the Local Level

Summary

According to recent census estimates, Texas is a “majority minority” state. More than half of its residents are African American, Asian, or Hispanic, or come from other non-European backgrounds. By 2010 these minority residents are likely to comprise the majority of first-time homebuyers; in 2005 first-time homebuyers bought 42 percent of homes purchased in Texas. Despite a large and growing real estate market among this “majority minority” population, few Hispanic and other minority REALTORS® had risen to leadership positions within the 80,000-member Texas Association of REALTORS® (TAR). Association CEO Benny McMahan and other TAR leaders wanted to know why.

So they conducted a study involving TAR leaders and African American, Asian, and Hispanic REALTORS®. The study, which received support from the NATIONAL ASSOCIATION OF REALTORS®, recommended a variety of actions to increase diversity in TAR’s leadership. As a result, TAR has developed a leadership course for local associations and engages in outreach activities to Hispanic communities.

Research Helps to Define Issues and Clarify Perceptions

Some TAR leaders thought that the low level of minority participation in leadership at the state level had little to do with TAR’s practices, since TAR’s offices are usually filled by REALTORS® who developed leadership skills at the local level. Others questioned whether minority members were on a level playing field with colleagues.

“I hadn’t experienced barriers at TAR,” said Charles McMillan, an African American who served as TAR’s President in 1998 and became President-Elect at the national level in 2008. “We needed to know whether that was true for all potential leaders. Benny did the courageous thing and conducted a study.”

With support from the NATIONAL ASSOCIATION OF REALTORS® (NAR), TAR commissioned Erlich Transcultural Consultants to conduct a research project in 2002. The objectives were to:

- Identify issues, motivations, and barriers concerning Hispanic and other minority involvement in TAR

- Assess what NAR and TAR could do to attract more minorities to take on leadership responsibilities
- Reveal possible candidates for movement into leadership positions.

Research involved individual interviews with four minority REALTORS®, including McMillan, and extensive discussions with two focus groups—one consisting of Hispanic REALTORS®, the other of TAR leaders.

Interviews, Focus Groups Identify Areas Needing Improvement

Feedback from the interviews and focus groups found unanimous agreement on the need to increase diversity in TAR's leadership. Many thought that the current lack of minority leaders reflected a lack of minority members in TAR. Most of the REALTORS® surveyed thought that a personal invitation from an established leader or active member was important—a first step in the mentoring process vital to identifying and encouraging new leaders.

Respondents were divided as to whether there was a “good old boys” mentality within TAR leadership. Those who thought that there was not such a club pointed to the leadership roles played by current minority REALTORS® such as McMillan. The majority expressed opinions that newer and minority REALTORS® are focused on making ends meet and don't have time for, or interest in, leadership activities in the association. Other scenarios emerged, in which minority REALTORS® who had become involved in leadership activities in TAR felt “turned off” because of the type of assignments they received, or “burned-out” due to initial over-involvement.

Study Recommends Recruitment and Development Strategies

Erlch Transcultural Consultants concluded that TAR's leaders would benefit from training in cultural diversity and the entire organization needed a range of activities to bring more minorities into the profession and encourage minority REALTORS® to take on leadership roles at the state and local levels. The research team suggested that TAR promote careers in real estate at job fairs, in schools, and in advertising campaigns in diverse markets. Recruitment activities should include a strong statement of TAR's commitment to increasing minority membership and promotion of qualified minority leaders. Further, TAR should highlight and promote minority REALTORS® who are current or past leaders at the state and local level.

Noting that minority REALTORS® said they attached particular value to personal interactions, researchers proposed that TAR leaders identify and mentor those with potential leadership qualities. The mentoring process should incorporate on-going dialogue to prevent “burn-out” among new leaders, they said. They recommended developing a guide to help TAR leaders motivate leadership candidates, as well as marketing materials that describe the responsibilities of becoming a leader and the personal and professional benefits of leadership.

Researchers recommended that TAR establish a “personal development” plan for potential leaders with assignments these leaders would enjoy and find meaningful. Scholarships, loan programs, and new models for compensation could be considered as ways to help relieve economic burdens on beginning REALTORS®, particularly members of minority groups.

Leadership Training Benefits Diverse REALTORS®, Communities

In response to the 2002 study, TAR developed a leadership course which made its debut in 2005 and is offered at REALTOR® associations across Texas. Local associations encourage minority members to attend, but the course is open to all REALTORS®.

“Because TAR draws its leaders from the local associations, we recognized the need to improve the situation at that level,” McMahan says. “Historically broker/owners rose to the top of REALTOR® associations because they had the entrepreneurial skills gained in running a business. Now more and more of TAR’s members are sales people who want to rise in the association, but don’t have those business skills. The leadership course teaches them what they need.”

During his 17 years as CEO of the association, McMahan has seen a shift in emphasis from concerns exclusive to the real estate community, such as licensing requirements, to broader and more consumer-oriented areas of public policy, such as property taxes. TAR’s leadership course fits with this shift because it imparts skills that can be applied to the betterment of communities of all cultural backgrounds. “Not everyone will wind up being president of their REALTOR® associations,” he says, “but they might be president of a civic organization or the PTA. That’s a service to our community as well.”

Outreach Generates Broader Hispanic Participation in TAR

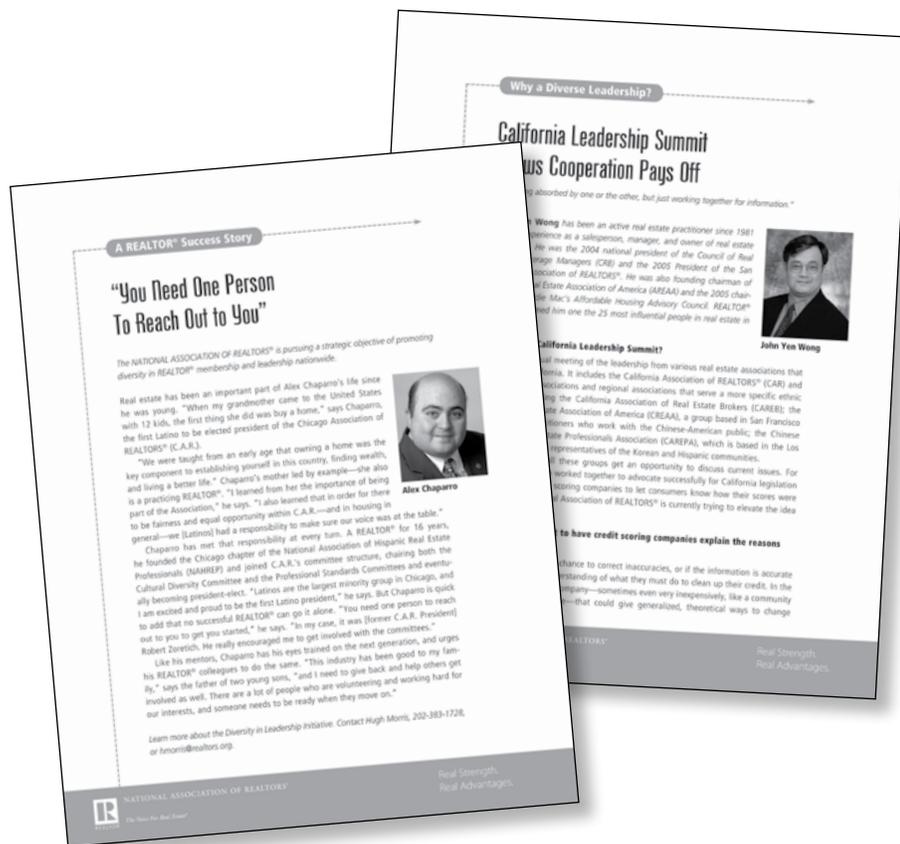
The association has also increased outreach to the Hispanic community. TAR has forged stronger ties with the National Association of Hispanic Real Estate Professionals (NAHREP), helping to establish some chapters in the state and supporting other chapters with funding, instructors, and materials. Working with NAHREP, the Association offers real estate seminars and homebuyer fairs and has translated real estate documents into Spanish.

Sharing activities at the professional level encourages closer relationships at a personal level. McMahan has noticed that more NAHREP members and leaders are increasingly comfortable working within the TAR framework. “About 90 percent of NAHREP members are also members of TAR. Over the past few years, Hispanic attendance at TAR meetings has quadrupled.”

To learn more, contact Benny McMahan, President/Chief Executive Officer, 512-480-8200, or bmcman@texasrealtors.com.

Reprint **REALTOR® Success Stories** and **Why a Diverse Leadership?** articles in your association publication

To download a PDF file, go to www.realtor.org/diversity





Diversity Program Checklist

Basic principles that have helped associations develop successful programs.

Diversity efforts succeed if they are supported by your association's leaders and reflect the distinctive characteristics and needs of your membership. Not all programs will be the same. Yet certain principles have surfaced so often in successful programs around the country that the NATIONAL ASSOCIATION OF REALTORS® is presenting them here for your consideration. We believe you will find them helpful.

Plan for diversity.

❑ Develop clear, long-term goals that reflect your association's strengths and competencies.

Be realistic about what your association can control and affect. Put goals in order of priority so that the most needed can be addressed first. For example, when the U.S. Department of Housing and Urban Development (HUD) published an unfavorable Analysis of Impediments to housing choice, the Greater Rochester Association of Realtors® developed a long-term strategy to combat the problem. First priority was to take control and test its own current practices. "If we didn't move ahead on that issue," says John Piper, former CEO of the Association, "the testing would have been done for us—probably by a third party, under a HUD contract, who might come up with some headline-making results, but who wouldn't provide us with any corrective advice or training." (*For details, see page 125.*)

❑ Make sure that diversity goals and policies are included in your association's strategic plans.

The Colorado Association of Realtors® formalized its diversity goals in a Pledge to Racial and Ethnic Diversity. "We no longer have a Voluntary Affirmative Marketing Agreement with HUD," says Kay Watson, former president of the Association, "so we decided that this was the best way to keep diversity in front of our members." (*For details, see page 165.*)

❑ Provide the resources needed and plan within the resources available.

Your association's most valuable resource is the time of your volunteers. Develop descriptions for diversity-related jobs, outlining time requirements and expectations for involvement and work. Resources can also come from outside the association. For example, when the Greater Baltimore Board of Realtors® needed money for a public information campaign, it obtained grants totaling hundreds of thousands of dollars and in-kind donations worth thousands more from radio and TV stations.



“Radio and TV stations want to do community outreach anyway,” says Carolyn Cook, GBBR’s deputy executive vice president, “so it’s not too difficult to leverage more time if you can convince them that it’s for a worthy cause.” (For details, see page 129.)

❑ **Use technology to boost impact.**

The Iowa City Area Association of REALTORS® held a financing seminar in English and Spanish to explain the terminology, process, and documents involved in buying a home. A local public access cable television station filmed the seminar. The Association bought videotapes for a small fee and provided them at no charge to libraries, brokerage firms, and anyone else in the community who requested one. The Association has also provided mentorship training, has developed multicultural forms, and has worked with the city’s Professional and Technical Diversity Network. In recognition of its accomplishments, the Association received the Iowa City Human Rights Commission’s Community/Business Award in 2004.

❑ **Invest in the future.**

The Portland Metropolitan Association of REALTORS® Diversity Scholarship Fund helps individuals from diverse backgrounds become licensed REALTORS®. Two local real estate schools partner with the Association to discount their fees for the scholarship recipients. The Columbus Board of REALTORS® Multi-Cultural Real Estate Grant Program helps defray post-licensing expenses for new REALTORS®. The Board’s career diversity program includes career nights and mentoring sessions. Board CEO Larry Metzger notes, “Our partnerships and marketing efforts are getting the message across that we welcome people of all races and cultures into the industry.”

❑ **Plan reasonably.**

Diversity efforts should be achievable and will likely be incremental. Identify intermediate steps and develop annual action plans with clear-cut objectives. After its testing, the Greater Rochester Association of Realtors® participated in a county-wide Fair Housing Choice Strategy Team that developed 81 specific *Strategies for Promoting Fair Housing Opportunities in Monroe County*. Some of these were delegated to GRAR, and by executing them one at a time, building results year by year, the Association has seen steady improvement both in fair housing and in the size of the Rochester housing market.



Address diversity systematically.

❑ Research your community's demographics.

(See "Understanding Your Community" on page 105.)

Armed with information on low homeownership rates among Koreans in and around Los Angeles, the California Association of REALTORS® worked with other organizations to develop the Korean "Dream to Reality" Initiative to open up opportunities. Research into the challenges facing Korean-speaking homebuyers is helping organizers fine-tune the \$20 million initiative.

❑ Explore your community's power structure, particularly among minority segments of the population.

The Houston Association of Realtors®, for example, met with local groups and then scored them according to a four-point scale. "We wanted to find out if they were really players," says Oscar Gonzales, HAR's chief strategic relations officer, "so we could partner with the ones with influence." *(For details, see page 160.)*

❑ Survey membership demographics and attitudes regarding diversity.

(See "Understanding Your Membership" on page 111.)

"I love my online surveys," says Ginger Downs, former executive vice president of the Seattle King County Association of Realtors®. "It's a great tool. I probably send out one a month." *(For details, see page 137.)* Downs also worked on "New Markets/New Connections," a 2004 survey by Washington REALTORS® that asked real estate professionals to provide information about their foreign language skills and experiences with immigrant clients. Incentives can boost response rates. For example, when the Santa Clara County Association of REALTORS® promoted its survey in the association newsletter and offered a prize drawing for a Palm Pilot, participation increased tenfold. *(For details, see page 133.)*

❑ Test the reaction to various approaches to diversity.

In developing its Pledge to Racial and Ethnic Diversity, the Colorado Association of REALTORS® found that some members of its Board of Directors initially resisted the concept of a pledge. The workgroup drafting the document spent a year meeting with members to explain the underlying principles and entertain compromises. Says the Association's president, Kay Watson: "The important thing is to be flexible."

❑ Avoid "reinventing the wheel."

Obtain information and resources from REALTOR® associations and other organizations that have undertaken diversity initiatives. Decklynn Theisen, past president of the Southern Twin Cities Association of REALTORS®, credits several REALTOR® homebuyer



fairs in California as the inspiration for her association's Home Ownership Fair. The Kansas City Regional Association of REALTORS®' traveling homebuyer seminar was inspired by a similar project undertaken by the Greensboro Regional Association of REALTORS® and by a handbook produced by the Southland Regional Association of REALTORS®. Washington REALTORS® checks out diversity programs of local companies, such as Microsoft and Boeing, to see what can be learned.

❑ **Explore association partnerships.**

The Southern Twin Cities Association of REALTORS®, for example, has secured additional funding and support from three other local associations—North Metro REALTORS® Association, the Minneapolis Area Association of REALTORS®, and the Saint Paul Area Association of REALTORS®—a homeownership fair targeted at underserved populations. The four associations also participate in the Minneapolis Multi-Cultural REALTOR® Network.

❑ **Create a standing—not ad hoc—committee to implement your diversity program.**

A standing committee demonstrates your intent to make diversity and fair housing an integral part of your association's mission. The committee should have authority to recommend policies and programs to your Board of Directors. Its membership should include individuals with a strong commitment to diversity plus other members who are more focused on the association's broader strategic aims. While the committee itself should be diverse—and should definitely include leaders who belong to the demographic majority—it should not be the only group in the association where minorities serve. The committee should be responsible to do the following.

❑ **Encourage members to learn about diversity and fair housing and identify opportunities for doing so.**

NAR's At Home with Diversity® course is the place to begin. Many associations have developed their own language and culture courses as well. See, for example, the Northern Virginia Association of Realtors® (*page 155*) and the Williamson County Association of Realtors® (*page 121*).

❑ **Identify real estate issues affecting local minority communities and develop association responses.**

When the Greater Baltimore Board of REALTORS® learned about widespread housing fraud aimed at young African American women, it launched a broad-based public information campaign to fight it. "It helped us bridge the gaps we'd had in the



past with other groups,” says Cook. “We may still sometimes have differences of opinion, but they look at us as an organization that’s trying to solve problems.”

❑ **Encourage broader minority member participation in your association and in its leadership.**

Sometimes simply getting members involved in a diversity committee can be a good first step toward getting them more involved in the association as a whole. The Seattle King County Association of REALTORS® recently elected three minority members of the Cultural Diversity Presidential Advisory Group to its Board of Directors. That was part of the advisory group’s purpose from the outset, says Downs: “The president wanted the Board of Directors to be more reflective of the community.”

❑ **Work closely with the membership committee to encourage outreach and recruitment among minority members.**

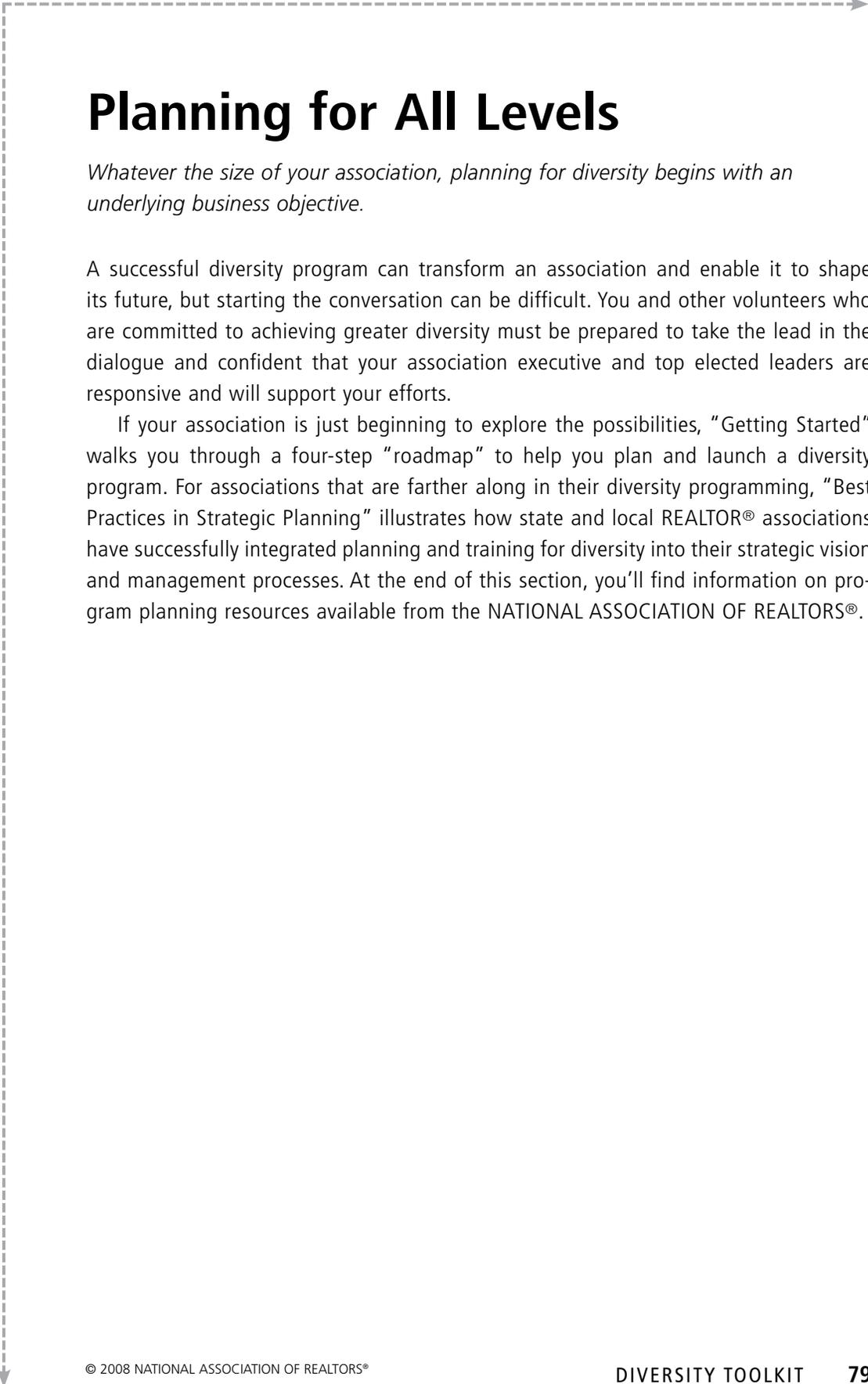
Since 1988 the Minneapolis Area Association of REALTORS® has been recruiting minority members by offering them scholarships for their first year of membership dues. Well over 300 applicants have now received that break. “Without question,” says MAAR’s CEO Mark Allen, “there are significantly more minority members than in the past.” (*For details, see page 147.*)

❑ **Develop strategic relations, partnerships, and coalitions with leading local minority and community-based organizations.**

The Houston Association of REALTORS® went so far as to devote a full-time staff member to just such a project. “Not only were the demographics of Houston changing, the leadership was too,” says Gonzales. “We wanted to maintain a relational foothold and maintain power in that shifting dynamic.” The Greater Fairbanks Board of REALTORS® is working with the Tanana Chiefs Conference, Doyon Foundation, Interior Regional Housing Authority, Fairbanks Native Association, and other organizations to encourage Native Alaskans to become REALTORS®.

❑ **Measure your progress. Hold your committee and association accountable for diversity efforts, and be prepared to adjust course.**

MAAR, for example, has offered not only dues assistance but also networking programs to promote opportunities for its minority members since the late 1980s. Staying on top of new issues as they arise and developing a strong multicultural support system has allowed the association to expand these initiatives at low cost over 15 years, so that they now produce tangible benefits not only for members but for potential minority homebuyers.



Planning for All Levels

Whatever the size of your association, planning for diversity begins with an underlying business objective.

A successful diversity program can transform an association and enable it to shape its future, but starting the conversation can be difficult. You and other volunteers who are committed to achieving greater diversity must be prepared to take the lead in the dialogue and confident that your association executive and top elected leaders are responsive and will support your efforts.

If your association is just beginning to explore the possibilities, “Getting Started” walks you through a four-step “roadmap” to help you plan and launch a diversity program. For associations that are farther along in their diversity programming, “Best Practices in Strategic Planning” illustrates how state and local REALTOR® associations have successfully integrated planning and training for diversity into their strategic vision and management processes. At the end of this section, you’ll find information on program planning resources available from the NATIONAL ASSOCIATION OF REALTORS®.

Getting Started

This chapter reflects the practical experiences of REALTORS® who have successfully transformed their associations into more genuinely representative organizations. Your association can follow the same steps.

1. Make a case

Creating and implementing a diversity plan always require the support of the Board of Directors. While their sense of fairness will certainly motivate many members, the argument that carries the day must also incorporate a clear financial component. Board members are elected to serve the professional interests of the membership, and decisions to allocate time and resources need a strong economic basis.

The business case for diversity comes naturally in most communities:

- Your association's membership and its leadership need to reflect the demographic makeup of emerging markets, in order to position your association's members to sell to those markets;
- Being representative strengthens your association's presence in the community, particularly in neighborhoods with high concentrations of minority residents who are moving up the socioeconomic ladder and buying homes. Whether foreign-born or American by birth, they all value signs of equal opportunity.

Associations that invest in diversity initiatives typically find themselves with more members, a better grasp of their marketplace, and more political influence than ever before. On the reverse side, an association without an ethnically representative membership risks becoming isolated and perceived as exclusive. This can lead, over time, to dwindling membership.

In short, the future vitality of your association depends on diversity. No matter what your size or location, diversity is within every association's reach.

The first step is a recognition that markets are changing. Recent immigration, coupled with natural population increase, is producing a more diverse society. African Americans and people of Hispanic or Asian descent are now vital forces in many states' real estate markets. A more diverse society creates a need for real estate professionals who understand their clients' cultural nuances in business transactions. As one broker told the Strategic Issues Work Group of the National Association of REALTORS® (NAR) Association Executives Committee, "You cannot be in the market unless you *match* the market. To serve Hispanics, you need Spanish-speaking agents. In much of the country, minorities are now in the majority."

Represent the interests of new buyers and sellers. John Wong, former President of the San Francisco Association of REALTORS®, put it this way: “If a segment of the buying and selling population is served by real estate agents who are not engaged in the association, then the association won’t have access to their perspectives and may make decisions contrary to what the agents doing the most business want.”

To illustrate, Wong tells a story from the San Francisco Association:

“There was a proposal to translate one of the association’s key disclosure documents into Chinese and Spanish. The Board of Directors consistently voted it down. Their reasons were solid: Why just these two languages? Wouldn’t it put agents at risk of profiling if they made assumptions about who speaks English? They didn’t understand how useful this could be until practitioners who served Spanish-speaking or Chinese-speaking clients talked to them.

Act now or lose your connection to your clientele

Steve Francks is Chief Executive Officer of the Washington Realtors® (W.R.) and a member of NAR’s 2008 Strategic Planning Committee.

W.R. formed its New Markets/New Connections task force (NMTF) in 2004 to examine the effect of Washington’s changing demographics on the real estate industry, determine how W.R. was positioned to respond to those changes, and recommend actions to improve that position.

We did this because we realized there was a business imperative. As the demographics of the nation and the state of Washington change, so will the profiles of homeowners. For instance, according to Leading Futurists, LLC, the combined Hispanic/Latino and Asian share of the U.S. population is projected to increase to 19 percent by 2020. The U.S. Census Bureau predicts that Asian and Hispanic populations will triple by 2050, while the non-Hispanic white population will increase by just 7 percent.

Although W.R. already had some limited programs and services to help its members capture business from these untapped and emerging markets, NMTF discovered early on that most of our members were not actively positioning them-



Steve Francks

“At the same time there was one minority group that was well represented on the Board and almost always had special provisions made for them because they had a voice in the room: Macintosh users. That’s the argument for diverse representation.”

Broaden the Board’s perceptions of diversity. The practical case for diversity goes beyond direct business matters. An emerging ethnic population not only buys homes, but sooner or later elects lawmakers and other officials. Reaching out to practitioners in those populations can offer greater access to officials than REALTORS® might have otherwise.

“There are influential Hispanic and Asian groups that people on the outside don’t ever see,” says Oscar Gonzales, former Chief Strategic Relations Officer for the Houston Association of REALTORS®. “They have tremendous political and economic clout. When those people or groups say, ‘We’ll go in this direction,’ the entire community goes that way.”

selves to respond to these changes in the market. We also discovered that some brokerages were already running ahead of us, offering their own programs to help meet the challenges of a multicultural market. Representatives of these brokerages urged us to assist them by providing direction, products, and services that they could then adopt. Failing to act would have meant missing a critical opportunity to demonstrate our worth to a key constituency: the brokerage community.

Should we not have acted, it is also very likely that W.R., and many local associations, would see our membership become less like the diverse communities we serve. We recognized that state chapters of organizations such as the National Association of Hispanic Real Estate Professionals (NAHREP) or the Asian Real Estate Association of America (AREAA) likely would pull members away from active participation in W.R. We decided to partner with existing chapters and/or support new chapters so we could demonstrate to them the value of the REALTOR® organization and build upon the relationships that would flow from that support. We did not want to miss the opportunity to take a leadership role in supporting these organizations—so that membership is viewed as “in addition to” and not “instead of” membership in W.R. In other words, we would lose the ability to hear the voices of those practitioners who can better connect us with new markets, and would run the risk of becoming disconnected from the clientele we aim to serve.

Finally, changes in our communities and markets will ultimately be reflected in the electorate. Should W.R. not develop an outreach strategy for connecting with these communities, including a pool of diverse REALTORS®, trained on our legislative agenda and utilized as key contacts, it could harm our advocacy efforts in the long run.

Analyze your market and your association. Bolster your case with an analysis of population and homebuying trends in your area (see page 105, “Understanding Your Community”), including a projection of what the association stands to gain in new listings if it can reach more members of an underrepresented group. Analyze the makeup of the association—do Board and committee leaders reflect the membership? Look at MLS data—are all segments of the market well represented at the top, or are some agents doing a lot of business in communities the Board doesn’t know yet?

“The first step is to describe what you are trying to accomplish.”

Wendell Bullard is President of the North Carolina Association of REALTORS® (NCAR) and has also participated actively in the Durham Regional Association of REALTORS®.

Our associations have worked hard not just to give diversity lip service, but actually to identify what diversity means. That is the first step: to describe what you are trying to accomplish. From there you can begin to consider how to increase the participation of your diverse membership, both in the business and in leadership roles.

The Durham Regional Association of REALTORS® has 1,200-plus members. The first thing we looked at was the composition of the membership. What is our Hispanic/Latin population? How many African American members do we have? How many Asian American members? You may find you have a 40 percent African American population in your area, but out of 1,200 members you only have 12 percent active, licensed African American REALTORS®. Reach out to those members, and find out what their needs are.

People get apprehensive about that. No one wants to be stigmatized as a targeted group, but you can’t change the composition of your Board until you know who you have in the association. Only then can you ask that group, “How can we help you?” You can build on what the National Association of REALTORS® (NAR) is already offering nationally. You don’t have to reinvent the process, expand the scope to all members equally.



Wendell Bullard

Striving for diversity does not mean selecting leaders on the basis of race or ethnicity. It ultimately means broadening the pool of potential recruits. (See page 11 *Recruiting for Diversity*, in *"The Diversity in Leadership Initiative."*)

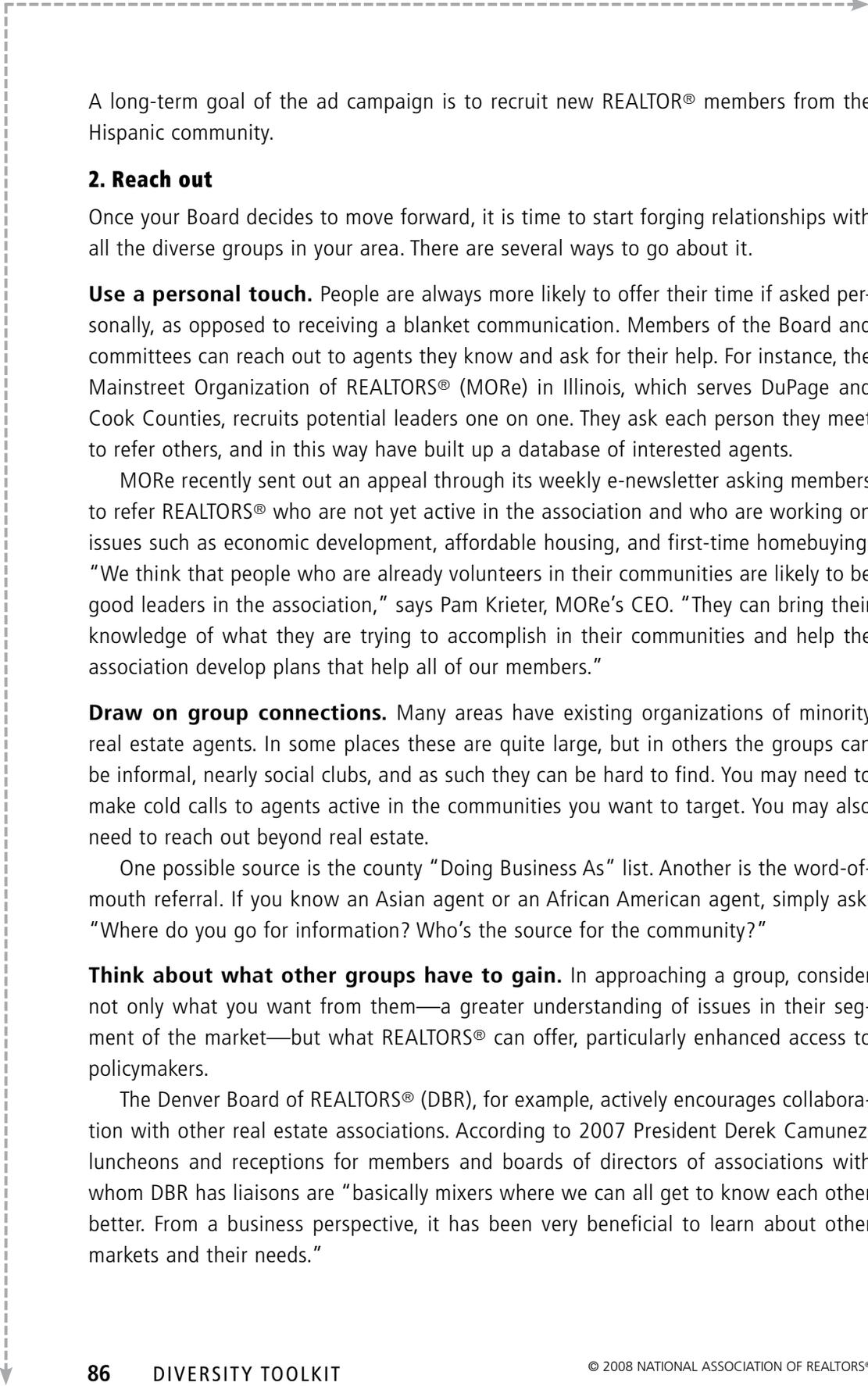
For example, the Rockford (IL) Area Association of REALTORS® (RAAR) responded to an increase in the Hispanic population with a series of Spanish-language television and print ads designed to introduce Hispanic buyers to the REALTOR® name and let them know that REALTORS® are best prepared to help them find a home, answer their questions, and guide them through a potentially complicated and unfamiliar process.

I would also encourage associations to incorporate different generations into their diversity goals. We found out how many Baby Boomers we had. How many Generation Xers. Millennials. Within each culture you have to think about different ages. I'm 47, a Boomer working with someone 25 years old buying his or her first home, and I'm thinking, "This is a big move for a 25-year-old. How can I best meet this person's needs?"

NAR has data to show that over the next 20 to 30 years we will see the biggest transfer of generational wealth in our history, from the postwar group to the Boomers, to Generations X and Y. Diversity is meaningless to me unless you increase generational wealth, unless you make each generation stronger. We often think about diversity as "let's have enough brown faces, black faces." That's passé. Diversity is inclusive while increasing the wealth in our country through homeownership opportunities for all.

At NCAR, our Equal Opportunity Cultural Diversity committee plans several initiatives in 2008, including a scholarship for members to participate in our Vision Quest program. That program, held in December at our state headquarters in Greensboro, brings together leaders of the local boards—the presidents, presidents-elects, and association executive officers—with the members who receive scholarships. We invite national speakers to talk about what one can achieve in a leadership position. The goal is to help members understand what leadership involves and introduce them to other peers from around the entire state. It also allows the state association to identify potential leaders, give them a chance to be mentored, and learn more about their roles and duties as volunteers.

Diversity can have the connotation of just trying to get numbers or fill a quota. Nothing could be further from the truth. This isn't about filling quotas or having people of different races or ethnicities, it's about having leadership within our membership reflect the community that we serve.



A long-term goal of the ad campaign is to recruit new REALTOR® members from the Hispanic community.

2. Reach out

Once your Board decides to move forward, it is time to start forging relationships with all the diverse groups in your area. There are several ways to go about it.

Use a personal touch. People are always more likely to offer their time if asked personally, as opposed to receiving a blanket communication. Members of the Board and committees can reach out to agents they know and ask for their help. For instance, the Mainstreet Organization of REALTORS® (MORE) in Illinois, which serves DuPage and Cook Counties, recruits potential leaders one on one. They ask each person they meet to refer others, and in this way have built up a database of interested agents.

MORE recently sent out an appeal through its weekly e-newsletter asking members to refer REALTORS® who are not yet active in the association and who are working on issues such as economic development, affordable housing, and first-time homebuying. “We think that people who are already volunteers in their communities are likely to be good leaders in the association,” says Pam Krieter, MORE’s CEO. “They can bring their knowledge of what they are trying to accomplish in their communities and help the association develop plans that help all of our members.”

Draw on group connections. Many areas have existing organizations of minority real estate agents. In some places these are quite large, but in others the groups can be informal, nearly social clubs, and as such they can be hard to find. You may need to make cold calls to agents active in the communities you want to target. You may also need to reach out beyond real estate.

One possible source is the county “Doing Business As” list. Another is the word-of-mouth referral. If you know an Asian agent or an African American agent, simply ask, “Where do you go for information? Who’s the source for the community?”

Think about what other groups have to gain. In approaching a group, consider not only what you want from them—a greater understanding of issues in their segment of the market—but what REALTORS® can offer, particularly enhanced access to policymakers.

The Denver Board of REALTORS® (DBR), for example, actively encourages collaboration with other real estate associations. According to 2007 President Derek Camunez, luncheons and receptions for members and boards of directors of associations with whom DBR has liaisons are “basically mixers where we can all get to know each other better. From a business perspective, it has been very beneficial to learn about other markets and their needs.”

Work with institutions. When the Iowa City Association of REALTORS® created the Fair Housing Ambassadors, a standing committee of REALTOR® members, affiliates, and the general public, it looked to the campus of the University of Iowa, a national research institution with 30,000 students, faculty, and staff—over half of the city’s population. “The university creates an opportunity for us,” says Cheryl Nelson, executive director of the association. “We have a far more diverse population because of it, and we look to them not only as a source of diversity but as a source of information. I credit the international student associations as the source of a lot of the information that helps educate REALTORS® on the cultural influences at play in our diverse communities.”

Use the Web. The Missouri Association of REALTORS® (MAR) operates a Web site, Mhomeprograms.com, to assist low- to moderate-income homebuyers. Consumers can go online to access a range of homeownership information and products (excluding lending programs), with search engines programmed to family size, income, and area. The site also offers affordable-housing resources to members. Says Terry Murphy, director of education and diversity, “There is a lot of traffic on the site, and while as a state association we don’t keep track of changes in homeownership, we’ve received feedback from members about people who go to the library to use computers to access the site, and also about consumers who have found a house through the site.”

Ask: How are we perceived? Whether you are approaching individuals, groups, or institutions, try to learn how members of various minority communities perceive REALTORS®.

The DBR conducted a membership study including focus groups with African American and Hispanic real estate agents, which yielded valuable feedback on perceived barriers to participation. DBR took steps to overcome the barriers, including changing its bylaws to give voting privileges to representatives of the National Association of Real Estate Brokers (REALTISTS) and the Colorado Association of Hispanic Real Estate Professionals who serve on DBR’s Board. *(For more on DBR’s assessment and the steps it has taken, see page 57, Knowing Your Membership Helps to Bring Down Barriers, in “The Diversity in Leadership Initiative.”)*

Keep track of the people you find. Avoid keeping records on a racial or ethnic basis. But do maintain a file of members’ leadership qualifications for leadership, the issues about which they are passionate, and their knowledge and skills.

Two leaders in the Orange County Association of REALTORS® (OCAR) initiated a language resource network with a Diversity Initiative Grant. Using a memberwide questionnaire, the association built up a database that now enables members to locate colleagues offering skills in languages other than English. Teryll Hopper, OCAR’s housing and community coordinator, explains the business rationale: “We have large popula-

NRG-ized in Houston, with advice for the association

Courtney Johnson Rose is a member of the Houston Association of REALTORS® (HAR). At age 29, she has been a broker for five years and was featured in REALTOR® Magazine's "30 under 30" cover story in 2007. She is a member of NAR's Strategic Planning Advisory Board.

I participate in HAR's group for young REALTORS® called the NextGen REALTOR® Group. Our target age group is under 40. NRG, pronounced "Energy," advises the HAR Board of Directors on how to get younger members more active in the association. Our mission is to welcome young professionals into the REALTOR® community and to support and empower their success. It's been a great opportunity to network with other young real estate professionals, and at the same time provide our local organization with ideas for helping us be more successful with our clients.

In 2006, I also took part in organizing the H.O.M.E. Expo at the George R. Brown Convention Center. Its purpose was to educate prospective homebuyers, and co-sponsors were the National Association of Real Estate Brokers (NAREB), which is an African American organization, the National Association of Hispanic Real Estate Professionals (NAHREP), Real Estate Association Latinos (R.E.A.L.), and the Asian American Real Estate Association (AAREA). Sessions at the H.O.M.E. Expo took place in four or five languages.

I became involved as the representative from NAREB. Most major cities have chapters of minority organizations, and holding a joint event like this was a great way for all those cultures to work closely together—and to work with the REALTOR® association. Associations in most cities could do something like this.

The Expo provided great networking opportunities for the whole Houston real estate community. Real estate professionals experienced an opportunity to learn about local communities. At the same time, HAR gained more exposure to emerging markets. Houston's Hispanic community is large and growing. So are the Asian American and African American communities. HAR's "brand" went on every advertisement and every billboard.



Courtney Johnson Rose

tions that speak Farsi, Chinese, and Vietnamese as their first language. More and more homebuyers are coming from these communities and some offer different challenges and opportunities for our agents. Often a REALTOR® has a client or buyer who is more comfortable speaking in a foreign language; even more likely are family members who are not completely comfortable in English. Yet these family members are a crucial part of the homebuying process.”

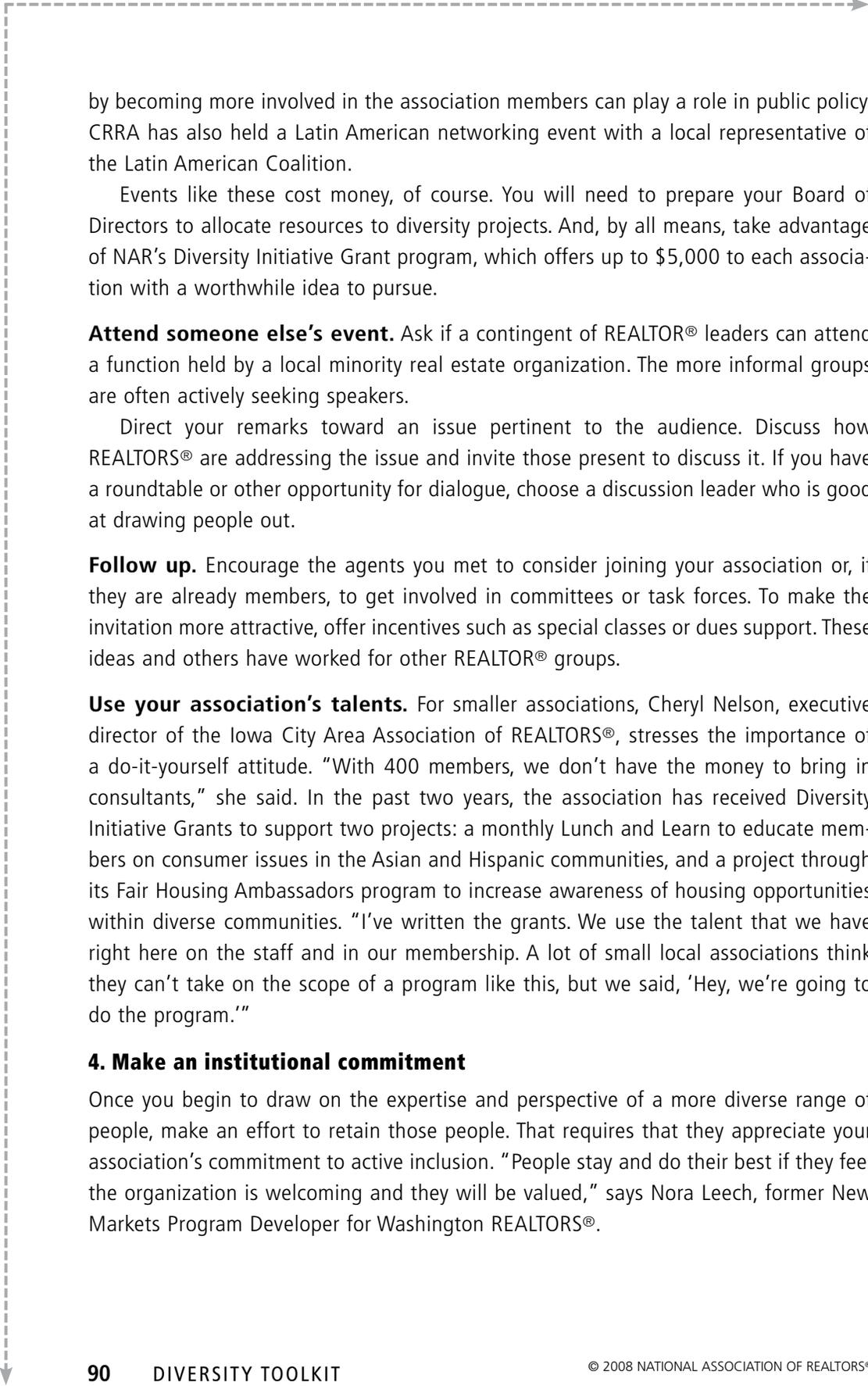
“The general public thinks Hispanic and Asian populations dominate,” says Dave Stefanides, OCAR’s government affairs director, “but there’s a very large Persian culture in Orange County, and we had only a very vague idea about its existence and its influence. When you look carefully at who is buying homes, your understanding of the average homebuyer becomes specialized and unique.”

Find a champion. As you build up your network of contacts, look for REALTORS® within your association who are willing to make the cause of diversity their own. “A program gets started if it has a champion,” says Bill Gerst, Vice President of Public Affairs of the Minneapolis Area Association of REALTORS® (MAAR), “someone to work the idea through the system. For example, Jean Leake, who started what was originally called the Minority REALTORS® Group [now the Multicultural Network of Real Estate Professionals] back in 1987, had a nucleus of six or eight people who helped her work on the program.”

3. Do something

Organize an event—a workshop, speaker, or roundtable—for your members and all the agents in your database. Make calls and advertise to ensure a big turnout. “It can be a hot topic like foreclosure or something about technology for the techno-savvy,” says Donnie Brown, Community Affairs, Minneapolis Area Association of REALTORS®. “Try to have a planning committee. Upper management and Board leaders should also be present—people who come will look for that.” It is essential that all the attendees feel included: form a welcoming committee to introduce them to your leaders and consider hosting the event at a minority-owned venue.

With support from NAR’s Diversity Initiative Grant Program, the Charlotte Regional REALTORS® Association (CRRA) held a networking event in 2006 for African American REALTORS®. It advertised in its electronic newsletter, sent out postcards in which African American REALTORS® encouraged others to learn more, and made numerous phone calls. Eighty people attended the event in an African American-owned business, including the CRRA Executive Committee and the President-Elect of the North Carolina Association of REALTORS®, the association’s first African American President. The association also invited representatives of state and local government and elected officials, including the U.S. representative for the district and a state senator, to emphasize that



by becoming more involved in the association members can play a role in public policy. CRRA has also held a Latin American networking event with a local representative of the Latin American Coalition.

Events like these cost money, of course. You will need to prepare your Board of Directors to allocate resources to diversity projects. And, by all means, take advantage of NAR's Diversity Initiative Grant program, which offers up to \$5,000 to each association with a worthwhile idea to pursue.

Attend someone else's event. Ask if a contingent of REALTOR® leaders can attend a function held by a local minority real estate organization. The more informal groups are often actively seeking speakers.

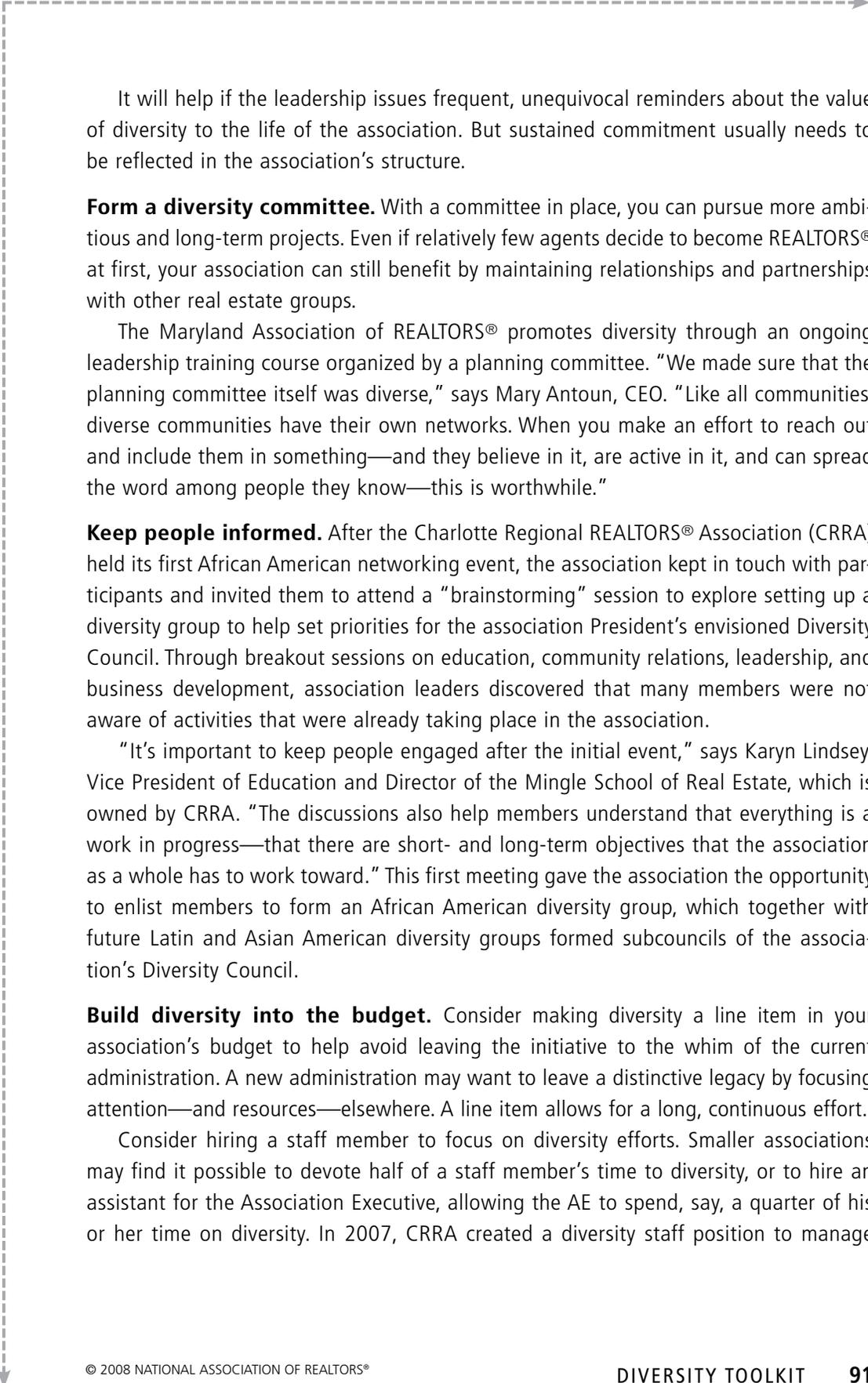
Direct your remarks toward an issue pertinent to the audience. Discuss how REALTORS® are addressing the issue and invite those present to discuss it. If you have a roundtable or other opportunity for dialogue, choose a discussion leader who is good at drawing people out.

Follow up. Encourage the agents you met to consider joining your association or, if they are already members, to get involved in committees or task forces. To make the invitation more attractive, offer incentives such as special classes or dues support. These ideas and others have worked for other REALTOR® groups.

Use your association's talents. For smaller associations, Cheryl Nelson, executive director of the Iowa City Area Association of REALTORS®, stresses the importance of a do-it-yourself attitude. "With 400 members, we don't have the money to bring in consultants," she said. In the past two years, the association has received Diversity Initiative Grants to support two projects: a monthly Lunch and Learn to educate members on consumer issues in the Asian and Hispanic communities, and a project through its Fair Housing Ambassadors program to increase awareness of housing opportunities within diverse communities. "I've written the grants. We use the talent that we have right here on the staff and in our membership. A lot of small local associations think they can't take on the scope of a program like this, but we said, 'Hey, we're going to do the program.'"

4. Make an institutional commitment

Once you begin to draw on the expertise and perspective of a more diverse range of people, make an effort to retain those people. That requires that they appreciate your association's commitment to active inclusion. "People stay and do their best if they feel the organization is welcoming and they will be valued," says Nora Leech, former New Markets Program Developer for Washington REALTORS®.



It will help if the leadership issues frequent, unequivocal reminders about the value of diversity to the life of the association. But sustained commitment usually needs to be reflected in the association's structure.

Form a diversity committee. With a committee in place, you can pursue more ambitious and long-term projects. Even if relatively few agents decide to become REALTORS® at first, your association can still benefit by maintaining relationships and partnerships with other real estate groups.

The Maryland Association of REALTORS® promotes diversity through an ongoing leadership training course organized by a planning committee. "We made sure that the planning committee itself was diverse," says Mary Antoun, CEO. "Like all communities, diverse communities have their own networks. When you make an effort to reach out and include them in something—and they believe in it, are active in it, and can spread the word among people they know—this is worthwhile."

Keep people informed. After the Charlotte Regional REALTORS® Association (CRRA) held its first African American networking event, the association kept in touch with participants and invited them to attend a "brainstorming" session to explore setting up a diversity group to help set priorities for the association President's envisioned Diversity Council. Through breakout sessions on education, community relations, leadership, and business development, association leaders discovered that many members were not aware of activities that were already taking place in the association.

"It's important to keep people engaged after the initial event," says Karyn Lindsey, Vice President of Education and Director of the Mingle School of Real Estate, which is owned by CRRA. "The discussions also help members understand that everything is a work in progress—that there are short- and long-term objectives that the association as a whole has to work toward." This first meeting gave the association the opportunity to enlist members to form an African American diversity group, which together with future Latin and Asian American diversity groups formed subcouncils of the association's Diversity Council.

Build diversity into the budget. Consider making diversity a line item in your association's budget to help avoid leaving the initiative to the whim of the current administration. A new administration may want to leave a distinctive legacy by focusing attention—and resources—elsewhere. A line item allows for a long, continuous effort.

Consider hiring a staff member to focus on diversity efforts. Smaller associations may find it possible to devote half of a staff member's time to diversity, or to hire an assistant for the Association Executive, allowing the AE to spend, say, a quarter of his or her time on diversity. In 2007, CRRA created a diversity staff position to manage



the programs and activities of its new Diversity Council and subcouncils. (See page 95, "Sample Diversity Staff Job Description.")

Draw leaders from a wider range of backgrounds. The Board of Directors of the Howard County (Maryland) Association of REALTORS® (HCAR) makes a conscious effort to increase diversity among its leadership. "I would encourage all associations to have a leadership development plan as part of its strategic planning efforts," says Ramon Estrada, former Executive Vice President of HCAR. Involvement in HCAR committees has led many members to seek state level positions and become involved in national initiatives.

Best Practices in Strategic Planning

(See also page 73, *Plan for Diversity*, in “Diversity Program Checklist.”)

Incorporate diversity. Making the association more representative of the community served is an integral part of the Board’s overall strategic planning responsibilities. Even when associations already have diversity programs, it can be difficult to include diversity in strategic planning. “Conversations about diversity can be uncomfortable,” says JoAnne Poole, former President of the Maryland Association of REALTORS®. “People are nervous that they will be misrepresented or will step on toes. You have to overcome this. You don’t have to reinvent the wheel—you can mine the Diversity Toolkit for ideas—but each association should come up with a specific mission statement that says who they are, what they plan to do, and how they will measure success.”

Set broad priorities and allocate resources accordingly. A strategic plan looks into the future, sets specific goals, and incorporates measures of progress. It includes all of the association’s core programs and priorities and considers how they may need to evolve to meet new challenges.

This is not a job for the Board of Directors alone. The Board and committee chairs may be included, but current leaders may have difficulty looking beyond today’s most pressing issues. To overcome this natural tendency, Washington REALTORS® formed a special Strategic Planning Committee to take a broader view. In Illinois, MORE invites past presidents, influential brokers, and instructors to participate in strategic planning, an effort involving 40–45 people. In Minnesota, MAAR’s yearly goals are drafted for Board discussion by staff members working with governing committees.

Consider a special approach. Some associations hire professional facilitators to keep the discussion moving productively and capture the results. Others go on a retreat of two or three days. While challenging to plan, a retreat gives everyone time to step back and consider the association in the long term.

Be prepared. Have your diversity data at hand when you engage in strategic planning. At this point you probably have more refined versions of the analyses you used to persuade the Board in the first place. Use this information as the planning group considers how to apply the principle of inclusion to every aspect of association life.

Assign responsibilities. Whether the goals you set are broad or specific, make sure each of them is someone's responsibility, whether it is a staff person or an elected leader. Each designated individual should be charged with reporting back to the Board on progress towards the goal.

Revisit your plan. Most associations do major revisions of their strategic plans about every three years. Some do more minor tinkering every year. For more on strategic planning, see NAR's Field Guide to Strategic Planning for Associations at <http://www.realtor.org/libweb.nsf/pages/fg602>

Sample Strategic Plans

Washington Association of Realtors® (WAR)

2007–2009

[Note: This is the section of WAR's strategic plan that addresses diversity]

Goals

- To be the voice of real estate in Washington State.
- To be a welcoming Association to all professionals in real estate.
- To enable our members to serve all people seeking to sell or buy a home.

Outcomes

1. In 3 years, the Association membership will have the resources, knowledge, skills, connections and experiences to better serve emerging local and international markets.
2. In 3-5 years, the Association membership (8-10 years for the leadership) will approximate the demographic profile of home owners in our state.

Seven Strategies

Strategy 1: Create resources for Association members to better serve diverse and emerging markets locally and internationally.

Strategy 2: Increase REALTOR® visibility, connections and trust in diverse communities.

Strategy 3: Increase connections to international markets.

Strategy 4: Inform real estate industry and Association leadership about demographic, economic, and real estate trends.

Strategy 5: Create a welcoming environment in the Association for people from diverse cultures.

Strategy 6: Increase Association involvement by REALTOR® members from diverse backgrounds.

Strategy 7: Increase the diversity of the membership in the local and state associations.

Minneapolis Area Association of REALTORS® (MAAR)

“In recognition of changing multicultural dynamics in the Twin Cities Region, MAAR will grow programming to equip REALTORS® to address the needs of members and consumers coming from a variety of cultural backgrounds, and advance homeownership in emerging markets.”

This top-line goal is complemented by a number of action items, such as:

“Implement an event to promote cultural diversity in the industry.”

Each action item or task is assigned to a specific member of MAAR’s staff.

Mainstreet Organization of REALTORS® (MORE)

MORE’s 2007–2008 Critical Goals

1. Develop a membership growth and retention plan by providing a positive value proposition and implementing a powerful communication system to promote it.
2. Strengthen our current monitoring and advocacy efforts and continue to build an affordable housing component.
3. Continue to promote a commitment to the Code of Ethics and enhance the services and accountability that support professional conduct.
4. Maintain a highly visible plan for Broker interaction and Broker services.
5. Enhance the leadership development of volunteers and staff.
6. Develop a positive REALTOR® media campaign targeting the consumer.

Sample Diversity Staff Job Description

Charlotte Regional REALTOR Association®

2007

[Note: The job description, like the Association’s Diversity Council and programs, is evolving.]

Title: Manager, Diversity Relations

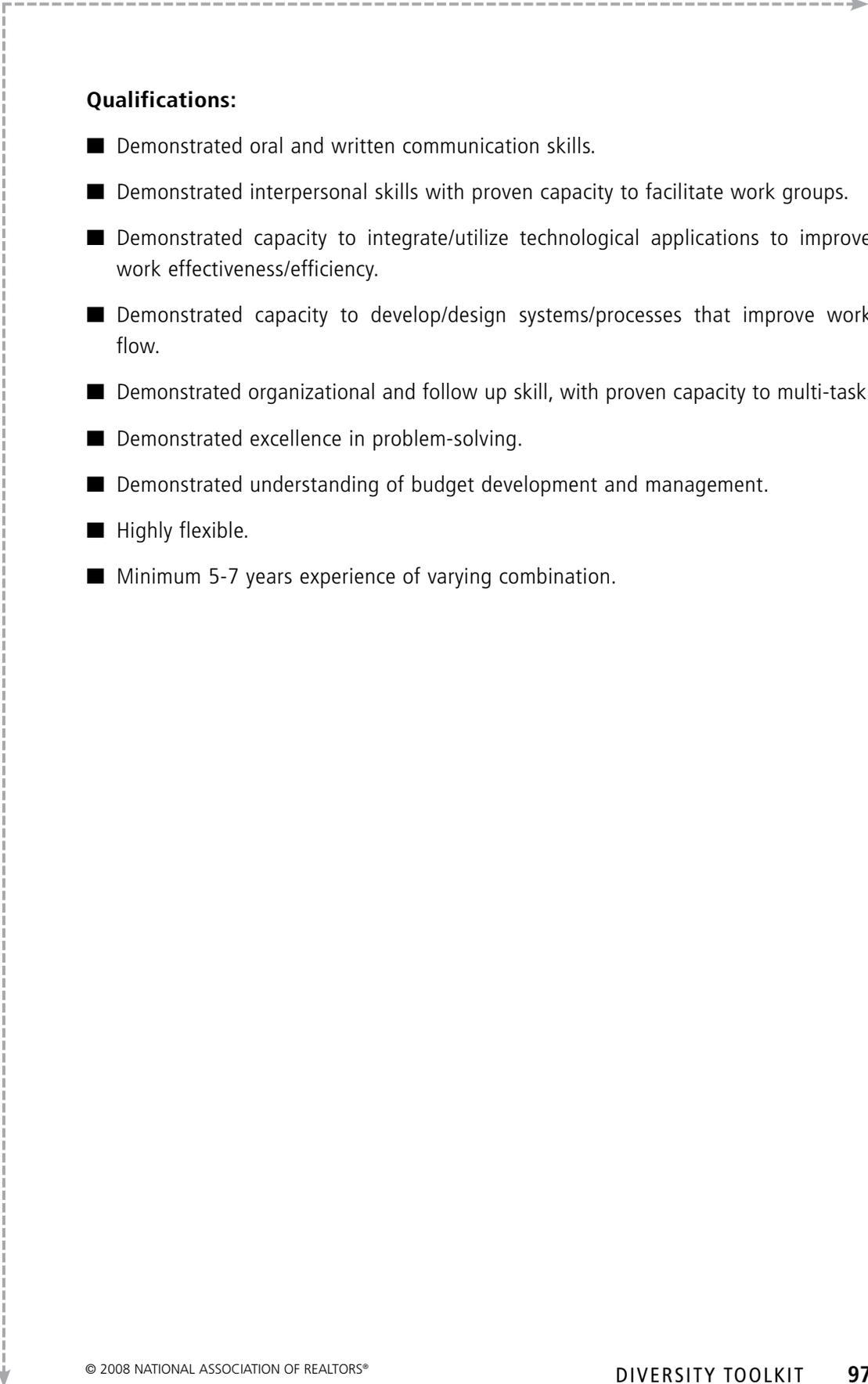
Reports to: Director, Mingle School of Real Estate, Charlotte Regional REALTOR® Association (CRRA)

General Position Description: Responsible for the Charlotte Regional REALTOR® Association's newly initiated Diversity Council. Manage the Diversity Council and its various sub-council programs and activities.

Primary Duties:

- Primary staff resource to work with the CRRA's Diversity Council and sub-councils. Develop (with volunteer input), coordinate and execute the program of work and associated goals for the overall Diversity Council and its African-American, Latin-American, and Asian-American sub-councils.
- Manage and coordinate Diversity Council and sub-council volunteers. Develop and implement a communication and tracking system for volunteer activities. Maintain Diversity Council and sub-council volunteer database.
- Plan and implement events and initiatives with the Diversity Council volunteers.
- Develop and manage a process to monitor and report results and accomplishments of the Diversity Council and sub-councils.
- Work with the Sponsorship and Advertising department to seek and secure sponsors for Diversity Council programs and events.
- Prepare communications about Diversity Council initiatives for internal and external use.
- Seek funding and grants from NAR and other groups for CRRA's diversity initiatives.
- Cultivate relationships and strategic partnerships with local and national diversity groups to help carry forward the Diversity Council program of work.
- Develop and monitor budget as required.
- Coordinate diversity programs/events/projects with other CRRA departments as appropriate.
- Assist with other member relations activities as needed.
- Any other duties as required.

Education: Bachelor's degree in Business Administration, Marketing/Public Affairs, or Communications. Any post-graduate work a plus.



Qualifications:

- Demonstrated oral and written communication skills.
- Demonstrated interpersonal skills with proven capacity to facilitate work groups.
- Demonstrated capacity to integrate/utilize technological applications to improve work effectiveness/efficiency.
- Demonstrated capacity to develop/design systems/processes that improve work flow.
- Demonstrated organizational and follow up skill, with proven capacity to multi-task.
- Demonstrated excellence in problem-solving.
- Demonstrated understanding of budget development and management.
- Highly flexible.
- Minimum 5-7 years experience of varying combination.

Diversity Planning and Training Resources for REALTOR® Associations

The NATIONAL ASSOCIATION OF REALTORS® has a vision of REALTORS® as leaders in a culturally diverse real estate environment. Professionals who reach out effectively to all racial and ethnic groups in their community are not only positioned for success but can also take pride in knowing that they have participated in the expansion of homeownership to all Americans. To that end, NAR encourages member associations to take advantage of the many resources at hand to raise awareness among their individual and broker members and create opportunities to interact with others who are representative of their markets.

The Diversity Toolkit is the key program planning resource for REALTORS®. Training goes hand-in-hand with planning, and the place to begin is NAR's newly updated training and certification program, At Home with Diversity®.

At Home with Diversity®

NAR now awards credit toward several NAR designations (CIPS, CRS, and PMN) to licensed real estate professionals who meet eligibility requirements and complete NAR's expanded At Home with Diversity® course. This certificate signals to customers that the professional has been trained to work effectively with diversity in today's market. For more information, go to www.realtor.org/diversity.

Diversity training is available from other sources, and associations should select the program that best suits their needs. Whatever coursework is chosen, it should have the overall goal of teaching and motivating participants to develop at least one new diversity-based strategy. In addition, it should address the same topics as At Home with Diversity®:

- Inclusion—the aim of diversity sensitivity—and its importance to business success
- The impact of assumptions, myths, and stereotypes; the need to adjust; and methods of communicating more effectively across cultural boundaries
- Key sources for understanding the community's demographics; the effects of demographic change on the employee and customer base; different perceptions of the home-buying process
- How fair housing laws support inclusion
- Inclusive personal and professional business strategies.



“REALTORS® Reaching Out to the World Around Us”

The CENTER for Education and Private Enterprise has developed a video containing practical advice on how to work with clients from different cultures, including terms of address, proper attire, how to avoid stereotyping and steering, qualifying the buyer, and negotiating a contract. The 80-minute video, which is available in DVD and VHS formats, is divided into sections of approximately 15 minutes each so that portions of the video can be easily shown to supplement a class. Video clips are available on the Web at www.thecepe.org/dvd/dvd.htm. For more information, contact Terry Murphy at terrymurphy@morealtor.com. The CENTER is a part of the Missouri Association of REALTORS®.



International Local Council Resource Guide

Creating an international board or council is one way REALTOR® associations build networks that help them “think globally, sell locally.” An estimated 70 REALTOR® associations have formed international boards or councils to learn about working with foreign buyers, help organize trade missions of REALTORS® to other countries, and establish referral networks for U.S. residents moving abroad. In November 2004, the NAR International Local Council Forum released the *International Local Council Resource Guide*, a 113-page toolkit that provides a wealth of practical advice on how to set up an international board or council, including a template for surveying local association members to gauge their interest, a model for a mission statement, bylaws, and business plan, and ideas for activities. The guide is available through the REALTOR® Association Resource Exchange (RARE) at www.realtor.org.

Working with You

NAR is committed to achieving diversity goals at the national, state, and local board levels of the Association, as well as by individual companies and agents. We hope you find the Diversity Toolkit useful and look forward to suggestions for improving it. If you know of case studies that exemplify good practices by associations, please pass them along to NAR.

Diversity Grant Program

Support for state and local diversity initiatives.

The NATIONAL ASSOCIATION OF REALTORS® supports a wide range of diversity projects through the State and Local Diversity Initiative Grant Program. The program provides up to \$5,000 in matching funds for activities that reinforce the role of REALTORS® as leaders in our country's increasingly diverse communities, and that extend the benefits of homeownership to more Americans.

Apply online: Visit the diversity Web site at www.realtor.org/diversitysupport to find the application form. Applications are accepted each spring and fall and can be submitted electronically.

For more information, contact:

Hugh Morris, Community Outreach Representative
NATIONAL ASSOCIATION OF REALTORS®
500 New Jersey Avenue, NW
Washington, DC 20001
202/383-1278
hmorris@realtors.org

Application and evaluation process: NAR's Equal Opportunity Cultural Diversity Committee will appoint a review panel to evaluate funding applications. Funding criteria include: effectiveness in advancing NAR's eight-point Fair Housing and Cultural Diversity Strategic Plan; the extent to which the project is also funded at the local and/or state level; and cooperation between the state and local associations.

Associations that have recently received support: These state and local REALTOR® associations are developing and implementing a variety of initiatives to promote diversity among their members and serve emerging markets. Most are working to advance several strategies at once, although each is noted here under only a single point of NAR's Fair Housing and Cultural Diversity Strategic Plan.

1. Develop and promote a business case for diversity for REALTORS® and brokers.

The **Williamson County Association of REALTORS®**, Tennessee, organized an international council to better understand the cultures and homebuying practices of recent immigrants. Contact: Theresa Wilson, 615/771-6845, theresa@williamsoncountyrealtors.org. Case study, page 121.

Washington REALTORS® formed a task force to create tools for brokers and agents working with clients from various cultures and to educate brokers about the importance of diversity in their companies. Contact: Janet Ruddick, 800/562-6024, janet.ruddick@warealtor.com.

2. Increase diversity in the NAR membership and in the real estate workplace.

The **Portland Metropolitan Association of REALTORS®**, Oregon, hosts career nights to introduce minority audiences to careers in real estate. Contact Kathy Querin, 503/459-2161, kquerin@pmar.org.

The **Columbus Board of REALTORS®**, Ohio, offers financial support for new multicultural agents to offset the cost of marketing materials, lock boxes, and other startup expenses. Contact: Larry Metzger, 614/475-4000, lmetzger@columbusrealtors.com.

3. Expand diversity in association leadership.

The **Nebraska REALTORS® Association** created a Diversity Advisory Council to reach out to people from various ethnic backgrounds. Contact: Tamela Brookhouser, 402/323-6500, tammyb@nebraskarealtors.com.

The **Greater Fairbanks Board of REALTORS®** is exploring ways to recruit members from Alaskan Native communities. Contact: Stacy Risner, 907/452-7743, gfbr@gci.net.

4. Build and enhance alliances with minority real estate organizations.

Members of the **Iowa City Area Association of REALTORS®** serve their community as Fair Housing Ambassadors. Efforts include mentor training, NAHREP affiliation, multicultural forums, and involvement with the community's Professional and Technical Diversity Network. Contact: Cheryl Nelson, 319/338-6460, Cheryl@icaar.org.

The **San Francisco Association of REALTORS®** invited members of the Chinese Real Estate Association and the National Association of Hispanic Real Estate Professionals to join its cultural diversity committee, which planned a summit designed to enhance the business skills of a culturally diverse audience. Contact: Linda Harrison, 415/738-7023, Linda@TheHarrisonTeam.com.

5. Promote diversity and fair housing "best practices," encourage diversity planning, and provide diversity and fair housing training.

The **Rockford Area Association of REALTORS®**, Illinois, holds homebuyers' fairs, institute diversity training for association leadership, and builds coalitions with local grassroots and fair housing groups. Contact: Jackie Cozzi, 815/395-6776, Jackie@raar.com.

The **New York State Association of REALTORS®** will transform a successful classroom course entitled “Serving People with Disabilities” into an online class, expanding the number of REALTORS® who can benefit from its content. Contact: Priscilla Toth, 518/463-0300, ptoth@nysar.com.

6. Increase visibility of the association and its members in minority communities through coalition building and other activities.

The **Southern Twin Cities Association of REALTORS®**, Minnesota, will sponsor a homeownership fair aimed at people in underserved communities. Contact: Decklynn Theisen, 952/997-5212, dtheisen@hotmail.com.

The **Merced County Association of REALTORS®**, California, sponsored a series of workshops for minority first-time home buyers. Topics included credit, mortgage options, and fair and affordable housing programs. Workshop advertising and materials were translated into languages spoken locally. Contact: Sue Koehn, 209/725-2165, koehn@mercednet.com.

7. Address the business and political issues faced by minority members.

The **Northwest Montana Association of REALTORS®** conducted a two-day workshop with members of the Salish-Kootenai Tribe about home ownership on reservation land, including special water, fishing, hunting, and other property rights and financial programs for purchasing Tribal Trust properties. Contact: Kathleen Schulte, 406/752-4313, kathys@digisys.net

The **San Antonio Board of REALTORS®** worked with the Texas Association of REALTORS® and the National Association of Hispanic Real Estate Professionals to offer a certification course educating real estate professionals about Latino culture and preparing them to assist minority homebuyers. Contact: Travis Kessler, 210/593-1200, travis@sabor.com.

8. Develop and advocate an effective agenda addressing real estate issues affecting diverse communities and NAR’s diverse membership.

Children’s artwork depicting “what a home means to me” illustrated a calendar being developed by the **Massachusetts Association of REALTORS®** to promote and support equal opportunity in housing. Contact: John Dulczewski, 781/839-5507, johnd@marealtor.com.

The **Kansas City Regional Association of REALTORS®** created a program to translate forms into Spanish, host a homebuying seminar in Spanish, market REALTORS® in the Latino community, and help REALTORS® understand Latino culture. Contact: Cristalle Johnson, 913/498-0018, cristallej@kcrar.com. Case study, page 145.

Understanding Your Community

How to conduct a real estate analysis of change in your market.

A responsive, diversity-oriented business plan for your state or local REALTOR® association depends on an accurate analysis of the demographic characteristics of your market. Demography is simply the study of the composition, distribution, movements, and changes within human populations. Is the population growing? What is the ethnic mix? What is the ratio of renters to owners? Is per capita income rising? Demography and market strategy go hand-in-hand.

A demographic analysis for your state or local REALTOR® association would include current patterns within your community, as well as future trends. A change in demographics might signal the need to change your market strategy.

Data that are likely to be the most helpful in understanding your community include national origin, native language, age, race, household income, number of children, marital status, employment rates, and housing tenure. But essentially anything that REALTORS® within your association consider key about an individual sale, for example, travel time to work, might be useful to examine in the aggregate.

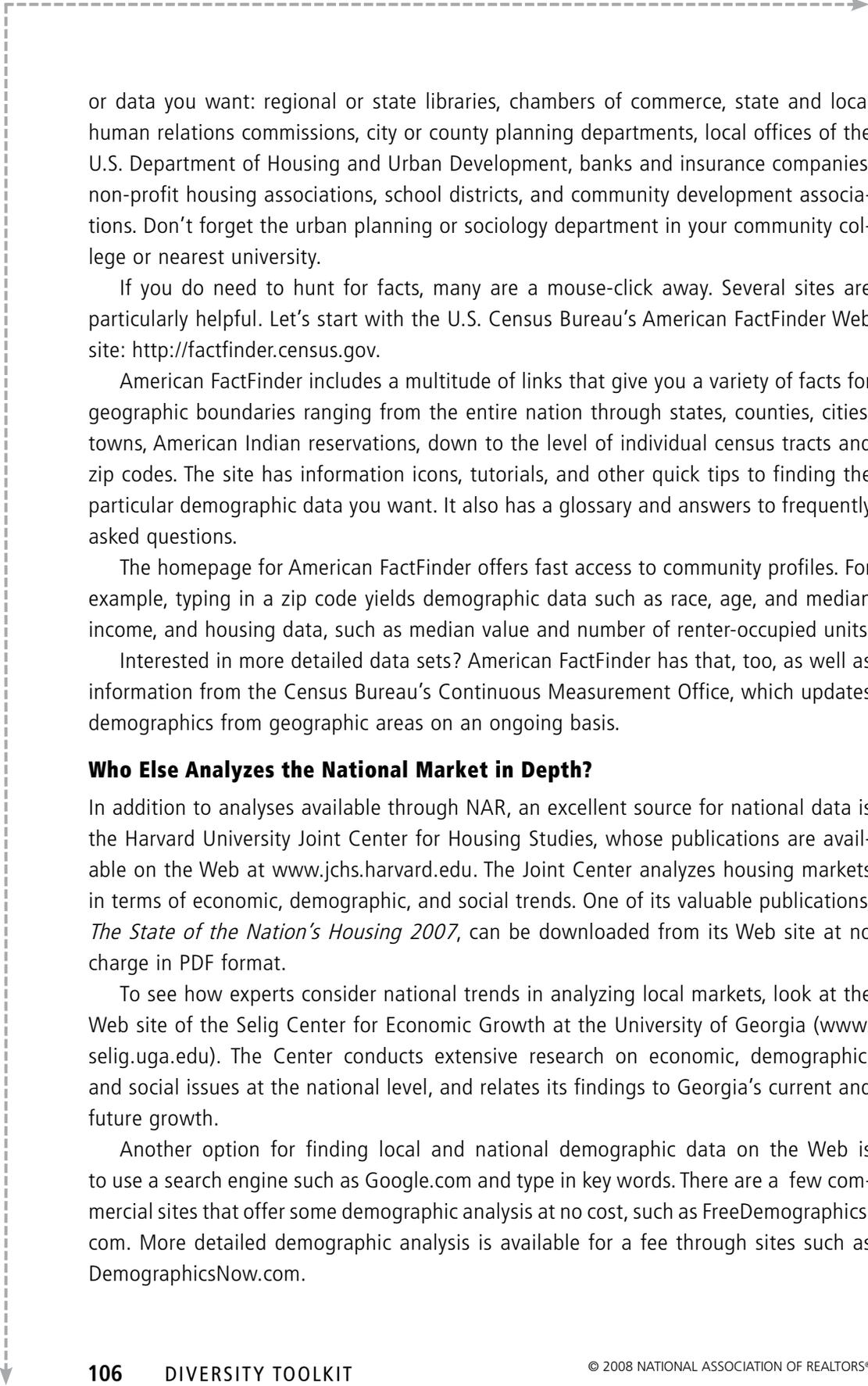
Your members may feel they already understand the local market well. If not, resources for learning about community demographics are plentiful and mostly free. Here are ways to answer the most basic questions:

What Does NAR Have To Offer?

The Research Division of the NATIONAL ASSOCIATION OF REALTORS® (NAR) produces the premier measurement of residential real estate activity—existing home sales. It also tracks national as well as regional housing affordability. In addition, NAR Research conducts surveys, including its most popular profile of home buyers and sellers, member profile, and profile of real estate services. Research offers county-level reports, including the Market Intelligence Report and the Relocation Report, to give REALTORS® valuable demographic, housing, and relocation information. Some information is available on the Web and can be downloaded at no charge in PDF format; other reports are available for a nominal fee. To view details, visit the Research Division on the Web at www.realtor.org/Research. For more information, contact the Division directly by e-mail (eresearch@realtors.org), or by phone (202/383-7518).

What Is Happening in My Local Real Estate Market?

Before spending time and money doing your own research, check to see if demographic analyses have already been done for your area. A host of places might have the analysis



or data you want: regional or state libraries, chambers of commerce, state and local human relations commissions, city or county planning departments, local offices of the U.S. Department of Housing and Urban Development, banks and insurance companies, non-profit housing associations, school districts, and community development associations. Don't forget the urban planning or sociology department in your community college or nearest university.

If you do need to hunt for facts, many are a mouse-click away. Several sites are particularly helpful. Let's start with the U.S. Census Bureau's American FactFinder Web site: <http://factfinder.census.gov>.

American FactFinder includes a multitude of links that give you a variety of facts for geographic boundaries ranging from the entire nation through states, counties, cities, towns, American Indian reservations, down to the level of individual census tracts and zip codes. The site has information icons, tutorials, and other quick tips to finding the particular demographic data you want. It also has a glossary and answers to frequently asked questions.

The homepage for American FactFinder offers fast access to community profiles. For example, typing in a zip code yields demographic data such as race, age, and median income, and housing data, such as median value and number of renter-occupied units.

Interested in more detailed data sets? American FactFinder has that, too, as well as information from the Census Bureau's Continuous Measurement Office, which updates demographics from geographic areas on an ongoing basis.

Who Else Analyzes the National Market in Depth?

In addition to analyses available through NAR, an excellent source for national data is the Harvard University Joint Center for Housing Studies, whose publications are available on the Web at www.jchs.harvard.edu. The Joint Center analyzes housing markets in terms of economic, demographic, and social trends. One of its valuable publications, *The State of the Nation's Housing 2007*, can be downloaded from its Web site at no charge in PDF format.

To see how experts consider national trends in analyzing local markets, look at the Web site of the Selig Center for Economic Growth at the University of Georgia (www.selig.uga.edu). The Center conducts extensive research on economic, demographic, and social issues at the national level, and relates its findings to Georgia's current and future growth.

Another option for finding local and national demographic data on the Web is to use a search engine such as Google.com and type in key words. There are a few commercial sites that offer some demographic analysis at no cost, such as FreeDemographics.com. More detailed demographic analysis is available for a fee through sites such as DemographicsNow.com.

What Do I Have To Know About Statistics?

Not much. Here are a few key terms and phrases.

Median is the midpoint in a group, such that there is an equal amount above and below that point. For example, if the median value of a home in your community were \$125,000, then there would be as many homes costing more than \$125,000 as costing less than that amount.

Range is simply the highest and lowest value in a group. Houses in your community might range from \$50,000 to \$500,000.

Average (basically the same as mean) is the sum of two or more quantities, divided by the number of quantities. We use averages every day, and they are great as a batting statistic. But they can be misleading in understanding your community due to outliers and dispersion. Outliers are simply a few numbers that are much higher or lower than the rest. Dispersion refers to how wide your range is. The wider the range the less meaningful an average becomes.

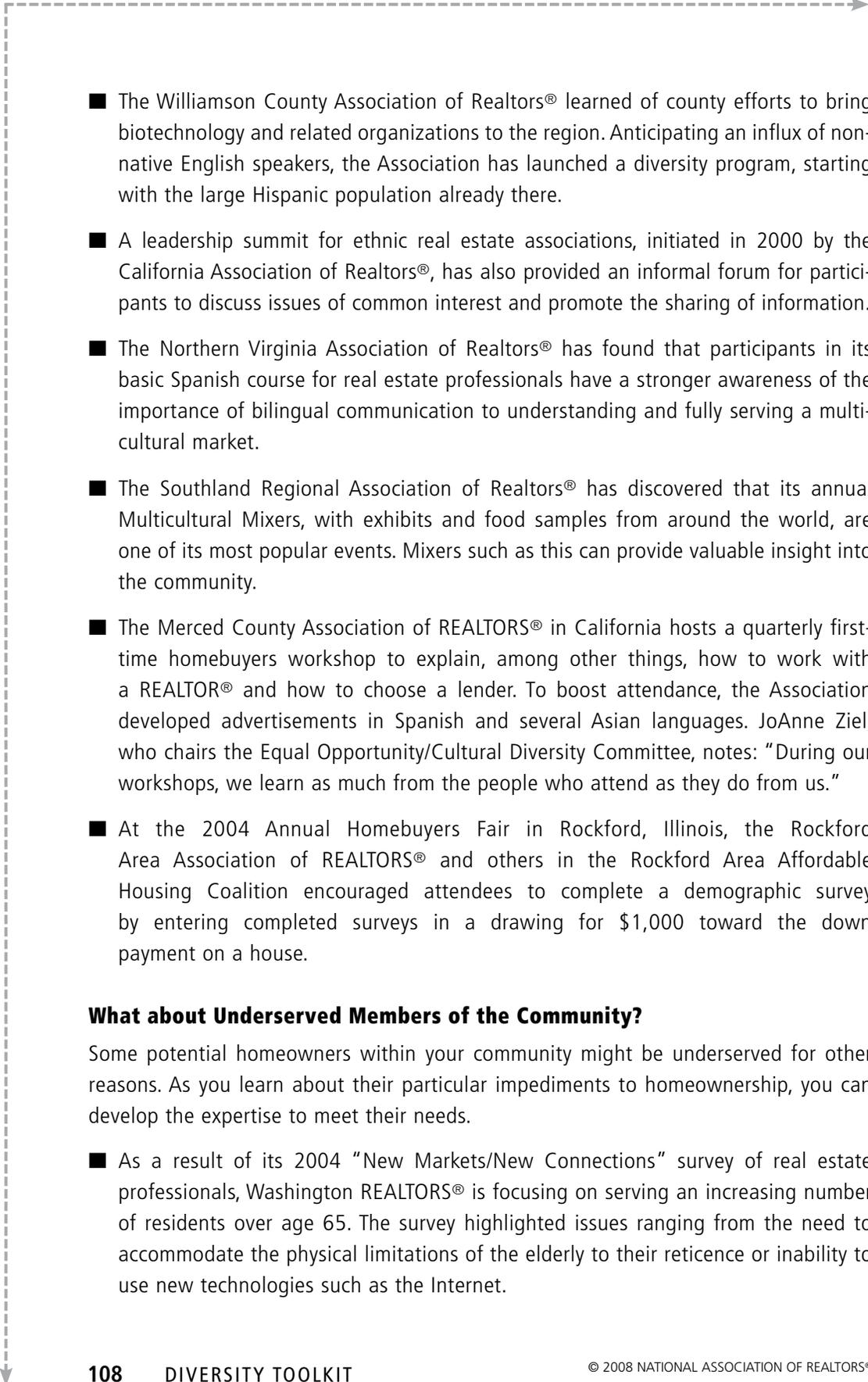
Let's take the case of an eccentric artist who makes \$10 million a year and decides to move into a middle-income neighborhood of 99 households, where incomes range from \$50,000 to \$150,000 and the median income is \$75,000. She's your outlier. Her arrival pushes the median income up a notch to perhaps \$85,000, depending on the income distribution of the other households. But the average income (sum of all the incomes divided by 100 households) could be \$175,000 or more, depending on income distribution.

Percentage of change is the difference between two numbers divided by the base number and multiplied by 100. Since identifying demographic trends is key in real estate, the percentage of change is an invaluable tool. Many sources will have this statistic for you, but it's easy to find your own percentages for other demographic data.

For example, the 2000 census reported 526,986 people for Portland, Oregon. The U.S. Census Bureau calculated that as of July 1, 2002, there were 537,239 people in Portland. Dividing the difference (10,253) by the base (526,986) yields about 0.0194 or 1.9 percent. Since the 2000 figure is lower than the 2002 figure, the percentage shows an increase.

How Else Can an Association Improve Understanding of the Community?

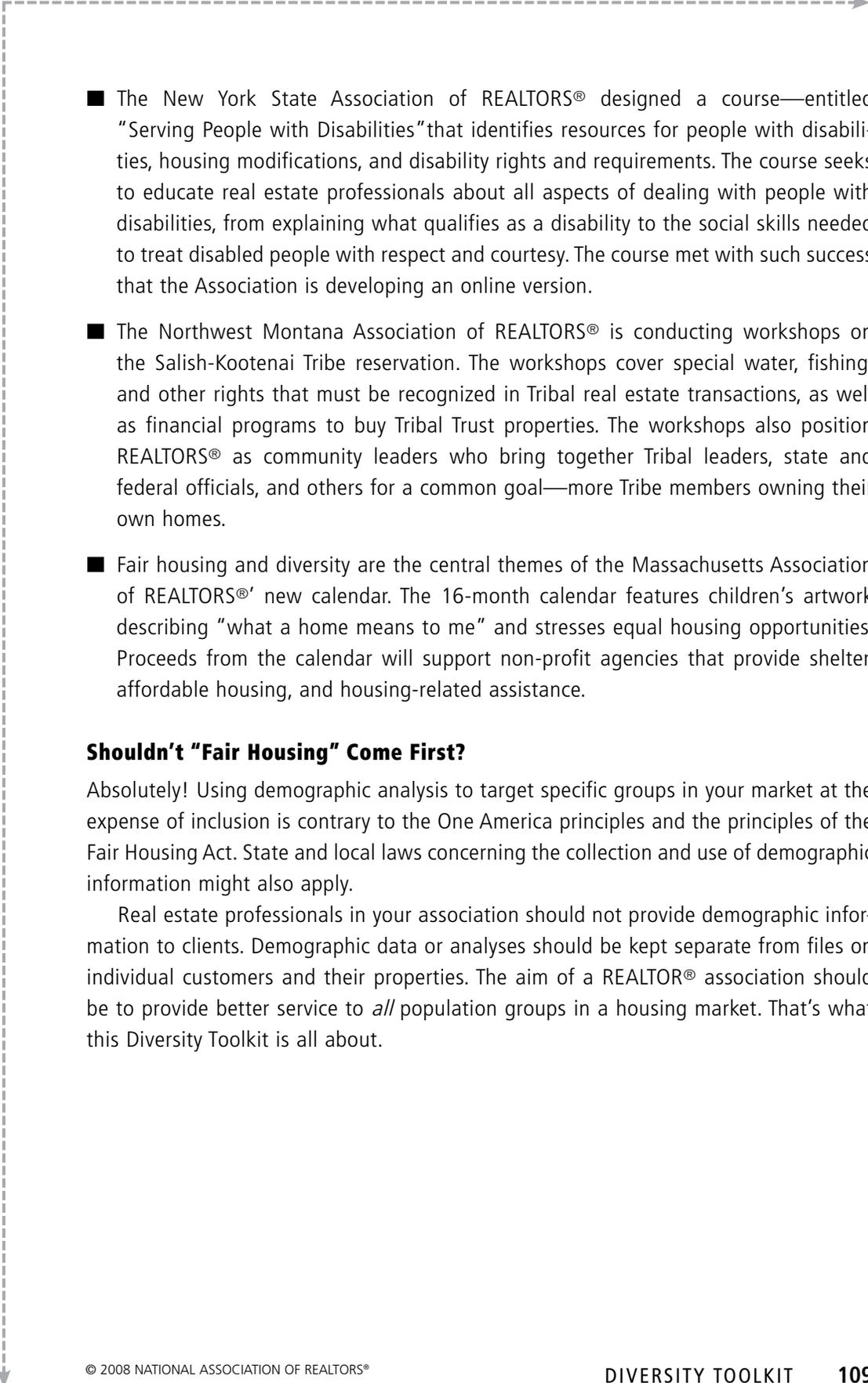
Statistics are only part of determining who your customers are now and who they are likely to be in the future. It's important to stay in touch with local news and speak with local residents, delivery people, and merchants. Contact local civic leaders, newspaper reporters, and school boards. Establish networking opportunities within the broader real estate community. Use your association's diversity programs to show individual REALTORS® how to wield new tools to gain insight into changing customer populations.

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- The Williamson County Association of Realtors® learned of county efforts to bring biotechnology and related organizations to the region. Anticipating an influx of non-native English speakers, the Association has launched a diversity program, starting with the large Hispanic population already there.
 - A leadership summit for ethnic real estate associations, initiated in 2000 by the California Association of Realtors®, has also provided an informal forum for participants to discuss issues of common interest and promote the sharing of information.
 - The Northern Virginia Association of Realtors® has found that participants in its basic Spanish course for real estate professionals have a stronger awareness of the importance of bilingual communication to understanding and fully serving a multicultural market.
 - The Southland Regional Association of Realtors® has discovered that its annual Multicultural Mixers, with exhibits and food samples from around the world, are one of its most popular events. Mixers such as this can provide valuable insight into the community.
 - The Merced County Association of REALTORS® in California hosts a quarterly first-time homebuyers workshop to explain, among other things, how to work with a REALTOR® and how to choose a lender. To boost attendance, the Association developed advertisements in Spanish and several Asian languages. JoAnne Ziel, who chairs the Equal Opportunity/Cultural Diversity Committee, notes: “During our workshops, we learn as much from the people who attend as they do from us.”
 - At the 2004 Annual Homebuyers Fair in Rockford, Illinois, the Rockford Area Association of REALTORS® and others in the Rockford Area Affordable Housing Coalition encouraged attendees to complete a demographic survey by entering completed surveys in a drawing for \$1,000 toward the down payment on a house.

What about Underserved Members of the Community?

Some potential homeowners within your community might be underserved for other reasons. As you learn about their particular impediments to homeownership, you can develop the expertise to meet their needs.

- As a result of its 2004 “New Markets/New Connections” survey of real estate professionals, Washington REALTORS® is focusing on serving an increasing number of residents over age 65. The survey highlighted issues ranging from the need to accommodate the physical limitations of the elderly to their reticence or inability to use new technologies such as the Internet.

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- The New York State Association of REALTORS® designed a course—entitled “Serving People with Disabilities” that identifies resources for people with disabilities, housing modifications, and disability rights and requirements. The course seeks to educate real estate professionals about all aspects of dealing with people with disabilities, from explaining what qualifies as a disability to the social skills needed to treat disabled people with respect and courtesy. The course met with such success that the Association is developing an online version.
 - The Northwest Montana Association of REALTORS® is conducting workshops on the Salish-Kootenai Tribe reservation. The workshops cover special water, fishing, and other rights that must be recognized in Tribal real estate transactions, as well as financial programs to buy Tribal Trust properties. The workshops also position REALTORS® as community leaders who bring together Tribal leaders, state and federal officials, and others for a common goal—more Tribe members owning their own homes.
 - Fair housing and diversity are the central themes of the Massachusetts Association of REALTORS®’ new calendar. The 16-month calendar features children’s artwork describing “what a home means to me” and stresses equal housing opportunities. Proceeds from the calendar will support non-profit agencies that provide shelter, affordable housing, and housing-related assistance.

Shouldn’t “Fair Housing” Come First?

Absolutely! Using demographic analysis to target specific groups in your market at the expense of inclusion is contrary to the One America principles and the principles of the Fair Housing Act. State and local laws concerning the collection and use of demographic information might also apply.

Real estate professionals in your association should not provide demographic information to clients. Demographic data or analyses should be kept separate from files on individual customers and their properties. The aim of a REALTOR® association should be to provide better service to *all* population groups in a housing market. That’s what this Diversity Toolkit is all about.

Understanding Your Membership

Research techniques to give you a better grasp of your association members' capabilities and needs.

Like other professionals, REALTORS® in your association expect service and value for their membership dues. Increasingly, they expect their association to reflect the composition of the marketplace. Market research offers powerful tools to discover how to bring your association in line with your market.

Which Market Research Tool Should I Use?

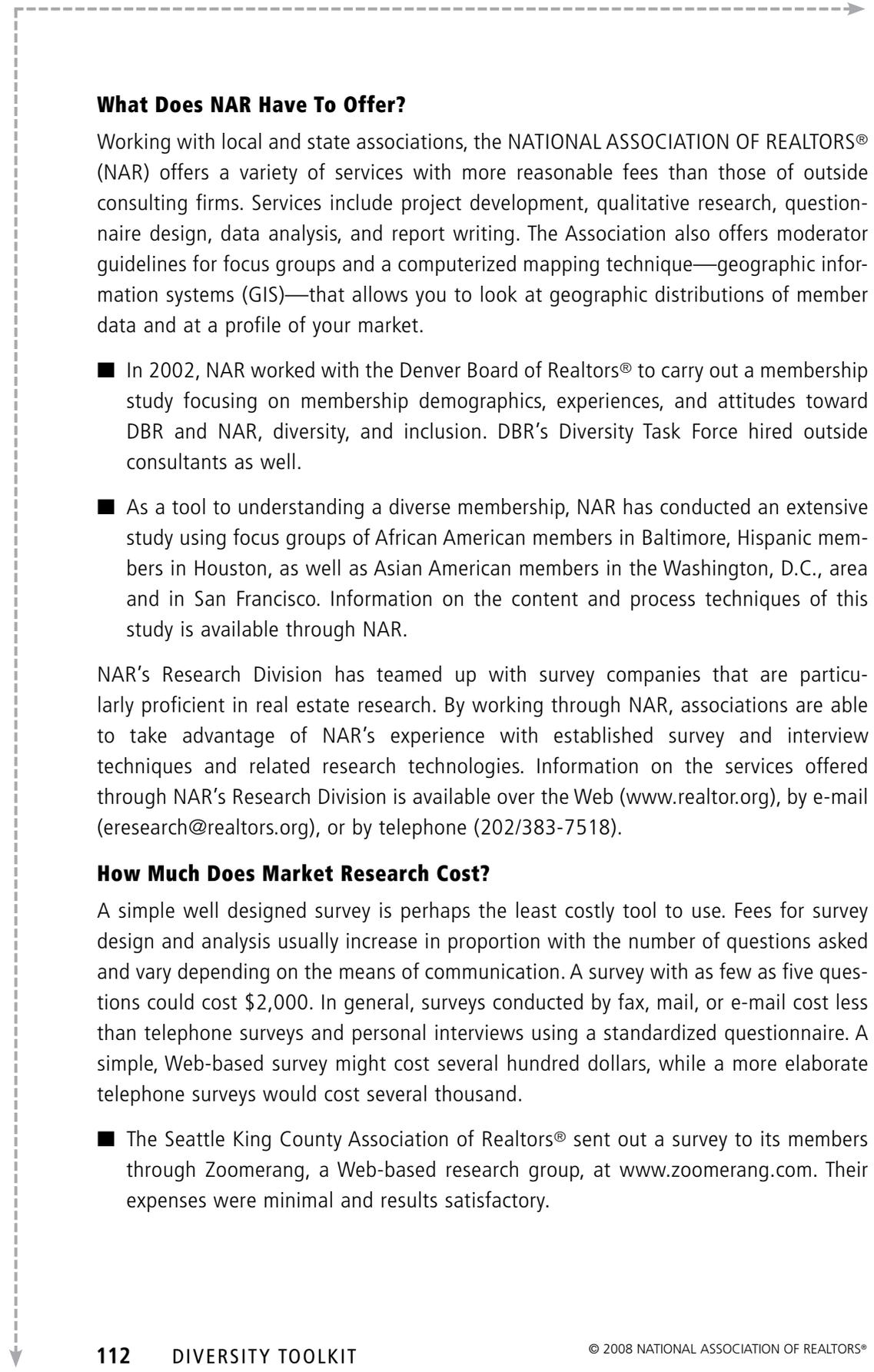
There are basically two types of research in this area: quantitative research, such as a survey, from which you can get data that has statistical significance; and qualitative research, such as a focus group, which generates descriptive data about perceptions, opinions, and attitudes, and leads to a greater understanding of differing points of view. Both offer important information and, if your budget allows, are best used in conjunction with one another.

■ From orientation sessions, the Santa Clara County Association of Realtors® had anecdotal evidence that its new membership increasingly reflected the diverse demographics of the area's population overall. A subsequent online survey confirmed that one-half of the Association's new members speak a primary language other than English, and the survey results had a direct impact on the implementation of mentoring and outreach programs in the represented languages.

Professionalism matters. Your findings are only as good as the construction, implementation, and analysis of your research. Whether you are using research collected by others or research you collect yourself, you need to understand how it was gathered, from whom, under what circumstances, and with what instruments.

Where Do I Start?

What is it you want to know? From whom do you want to know it? Are you trying to predict behavior or gather background information? Two key steps in effective research are establishing your goals and determining who will be your research subjects. The computer motto "garbage in, garbage out" applies to market research as well. Your results will be helpful only if you have asked the right people the right questions to elicit helpful answers.



What Does NAR Have To Offer?

Working with local and state associations, the NATIONAL ASSOCIATION OF REALTORS® (NAR) offers a variety of services with more reasonable fees than those of outside consulting firms. Services include project development, qualitative research, questionnaire design, data analysis, and report writing. The Association also offers moderator guidelines for focus groups and a computerized mapping technique—geographic information systems (GIS)—that allows you to look at geographic distributions of member data and at a profile of your market.

- In 2002, NAR worked with the Denver Board of Realtors® to carry out a membership study focusing on membership demographics, experiences, and attitudes toward DBR and NAR, diversity, and inclusion. DBR's Diversity Task Force hired outside consultants as well.
- As a tool to understanding a diverse membership, NAR has conducted an extensive study using focus groups of African American members in Baltimore, Hispanic members in Houston, as well as Asian American members in the Washington, D.C., area and in San Francisco. Information on the content and process techniques of this study is available through NAR.

NAR's Research Division has teamed up with survey companies that are particularly proficient in real estate research. By working through NAR, associations are able to take advantage of NAR's experience with established survey and interview techniques and related research technologies. Information on the services offered through NAR's Research Division is available over the Web (www.realtor.org), by e-mail (eresearch@realtors.org), or by telephone (202/383-7518).

How Much Does Market Research Cost?

A simple well designed survey is perhaps the least costly tool to use. Fees for survey design and analysis usually increase in proportion with the number of questions asked and vary depending on the means of communication. A survey with as few as five questions could cost \$2,000. In general, surveys conducted by fax, mail, or e-mail cost less than telephone surveys and personal interviews using a standardized questionnaire. A simple, Web-based survey might cost several hundred dollars, while a more elaborate telephone surveys would cost several thousand.

- The Seattle King County Association of Realtors® sent out a survey to its members through Zoomerang, a Web-based research group, at www.zoomerang.com. Their expenses were minimal and results satisfactory.

Some state REALTOR® associations have incorporated limited surveys into new member registration procedures, sparing themselves the cost of design and coding, but yielding valuable information on their emerging member base.

- The Williamson County Association of Realtors® asks new members when signing up about their language skills and will use this information to plan education programs to expose all members to different cultures.

In general, focus groups cost more than surveys. Discuss fees candidly with prospective moderators, and ask for references. Additional costs of focus groups will include meals or snacks for participants, room rental, and reportage fees—taping and note taking—to capture information from the focus group.

What Are the Key Points in Designing a Survey?

The most useful surveys are those that provide objective choices, are evaluated objectively, and reflect a substantial portion of your membership.

Short questionnaires yield the highest response rate. Limit a mail and Web-based survey to about five pages, a telephone survey to about 10 minutes, and a fax survey to about two pages.

Questions should be framed so that they offer clear, mutually exclusive responses. The most successful surveys generally use questions that are closed-ended, such as multiple choice, yes or no, choose one response, or indicate on a scale of 1 to 5 your agreement or disagreement with a particular statement. Include “N/A” (not applicable, meaning the respondent has no experience on which to base a response). Analyzing this kind of data can help you identify a majority opinion or a trend, although you will have to look elsewhere for the underlying reasons.

Explain up front what the survey is about and who is being asked to respond, with questions that will help you analyze results, such as the respondent’s membership status, years in the organization, and possibly demographic characteristics.

Always pretest all your survey questions with a small sample of your target audience. This helps you catch ambiguous or problematic questions and guarantees more reliable results.

If you plan to conduct a survey by telephone interview, minimize interviewer bias by training interviewers not to embroider or elaborate on the meaning of the questions, not to offer examples unless the same examples are offered to all respondents, and not to answer respondents’ questions. Interviewers should always let respondents know they can stop the survey at any point.

How Many Members Should I Survey?

This depends on how much you can afford to spend, the value of the information to be obtained, and how precisely it must represent the entire group under consideration. Do you need to be 99 percent sure that your results are representative, or would you settle for less certainty if you cannot afford to sample so many members? Research professionals at NAR or a survey organization can help you make that decision.

Here is an example of how you might calculate sample size. NAR mail surveys usually yield a 5–10 percent response rate. If you plan to conduct a mail survey and want to have 300 responses, calculate the number of surveys to mail as follows, assuming a 5 percent response rate:

Number to send = responses wanted / response rate

$N = 300 / .05$

$N = 6,000$ surveys

Conversely, if your association is relatively small, say 500 members, then sending a survey to all your members might yield a response from only 25 of them (5 percent of 500).

- The Santa Clara County Association of Realtors® promoted its survey by enrolling respondents in a prize drawing for a Palm Pilot, thereby boosting the survey's response rate.

How Do I Analyze Survey Responses?

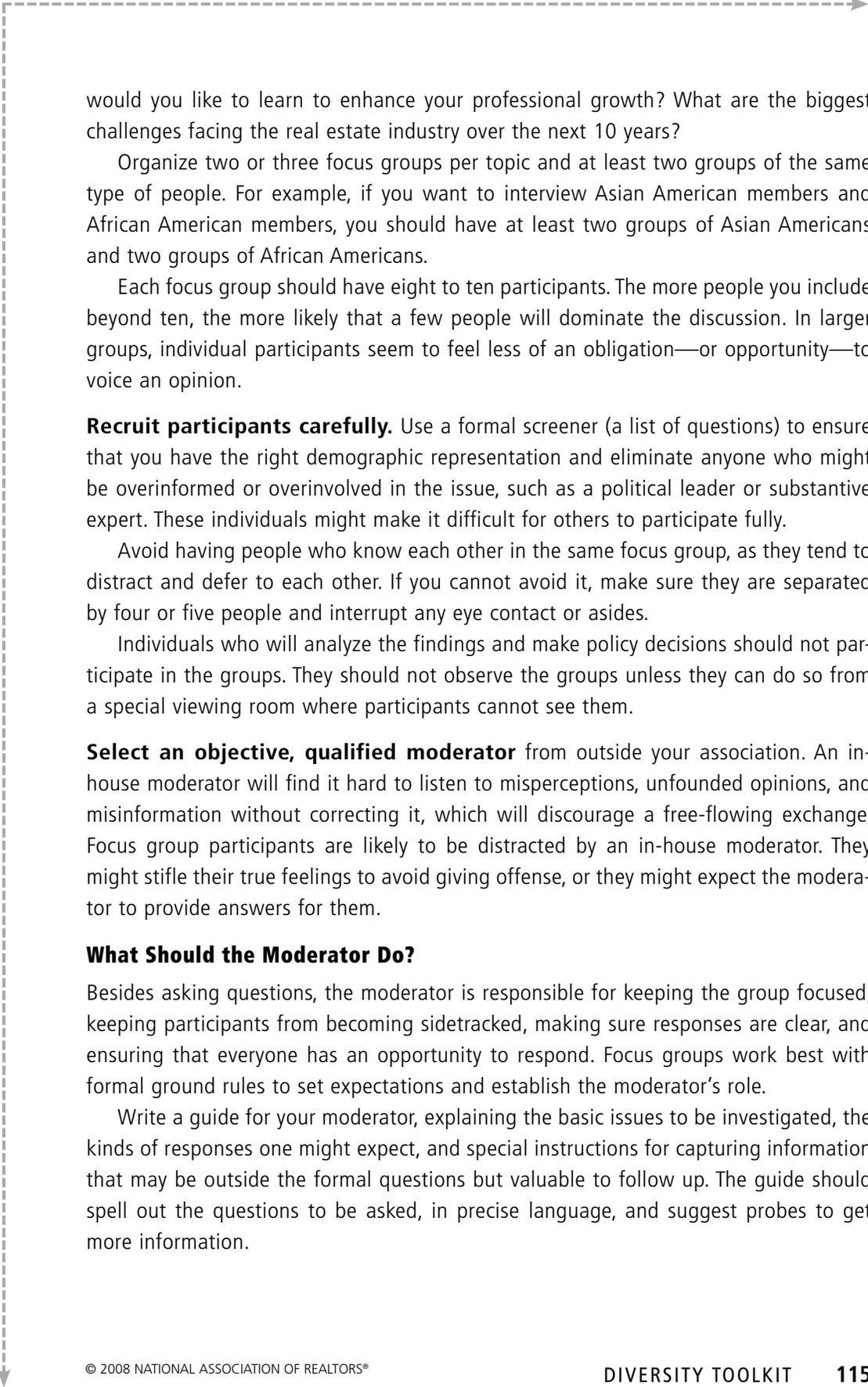
Here again, NAR research professionals or a survey organization can help. In general, code the responses with a formal coding guide that explains how to enter the information for quick statistical analysis. Set up in advance a series of cross tabs that compare information along two axes (for example, age and response to Q10, marital status and response to Q15, how many people answered yes to both Q4 and Q20 and what they have in common).

What Do Focus Groups Offer?

Focus groups are a popular technique for needs assessment using small groups to discuss specific issues in a lightly structured framework. Focus groups are useful for exploring communications, marketing, program development, and content issues. They provide efficient data collection, fast turnaround time, unfiltered comments, and group interactions.

What Are the Key Points in Conducting Focus Groups?

Open-ended questions are helpful in generating useful information, including questions such as: What kinds of services should an association provide? What skills



would you like to learn to enhance your professional growth? What are the biggest challenges facing the real estate industry over the next 10 years?

Organize two or three focus groups per topic and at least two groups of the same type of people. For example, if you want to interview Asian American members and African American members, you should have at least two groups of Asian Americans and two groups of African Americans.

Each focus group should have eight to ten participants. The more people you include beyond ten, the more likely that a few people will dominate the discussion. In larger groups, individual participants seem to feel less of an obligation—or opportunity—to voice an opinion.

Recruit participants carefully. Use a formal screener (a list of questions) to ensure that you have the right demographic representation and eliminate anyone who might be overinformed or overinvolved in the issue, such as a political leader or substantive expert. These individuals might make it difficult for others to participate fully.

Avoid having people who know each other in the same focus group, as they tend to distract and defer to each other. If you cannot avoid it, make sure they are separated by four or five people and interrupt any eye contact or asides.

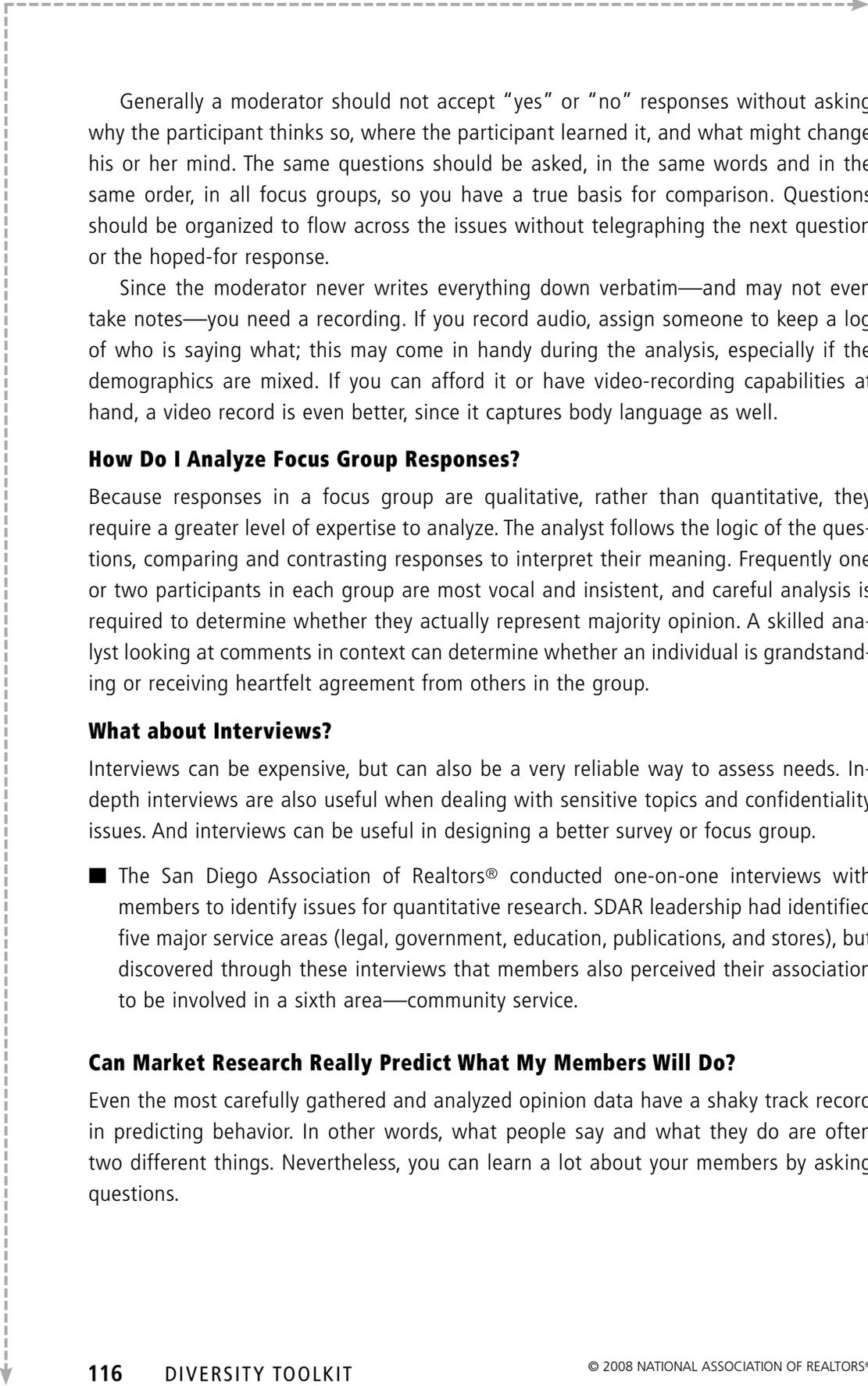
Individuals who will analyze the findings and make policy decisions should not participate in the groups. They should not observe the groups unless they can do so from a special viewing room where participants cannot see them.

Select an objective, qualified moderator from outside your association. An in-house moderator will find it hard to listen to misperceptions, unfounded opinions, and misinformation without correcting it, which will discourage a free-flowing exchange. Focus group participants are likely to be distracted by an in-house moderator. They might stifle their true feelings to avoid giving offense, or they might expect the moderator to provide answers for them.

What Should the Moderator Do?

Besides asking questions, the moderator is responsible for keeping the group focused, keeping participants from becoming sidetracked, making sure responses are clear, and ensuring that everyone has an opportunity to respond. Focus groups work best with formal ground rules to set expectations and establish the moderator's role.

Write a guide for your moderator, explaining the basic issues to be investigated, the kinds of responses one might expect, and special instructions for capturing information that may be outside the formal questions but valuable to follow up. The guide should spell out the questions to be asked, in precise language, and suggest probes to get more information.



Generally a moderator should not accept “yes” or “no” responses without asking why the participant thinks so, where the participant learned it, and what might change his or her mind. The same questions should be asked, in the same words and in the same order, in all focus groups, so you have a true basis for comparison. Questions should be organized to flow across the issues without telegraphing the next question or the hoped-for response.

Since the moderator never writes everything down verbatim—and may not even take notes—you need a recording. If you record audio, assign someone to keep a log of who is saying what; this may come in handy during the analysis, especially if the demographics are mixed. If you can afford it or have video-recording capabilities at hand, a video record is even better, since it captures body language as well.

How Do I Analyze Focus Group Responses?

Because responses in a focus group are qualitative, rather than quantitative, they require a greater level of expertise to analyze. The analyst follows the logic of the questions, comparing and contrasting responses to interpret their meaning. Frequently one or two participants in each group are most vocal and insistent, and careful analysis is required to determine whether they actually represent majority opinion. A skilled analyst looking at comments in context can determine whether an individual is grandstanding or receiving heartfelt agreement from others in the group.

What about Interviews?

Interviews can be expensive, but can also be a very reliable way to assess needs. In-depth interviews are also useful when dealing with sensitive topics and confidentiality issues. And interviews can be useful in designing a better survey or focus group.

- The San Diego Association of Realtors® conducted one-on-one interviews with members to identify issues for quantitative research. SDAR leadership had identified five major service areas (legal, government, education, publications, and stores), but discovered through these interviews that members also perceived their association to be involved in a sixth area—community service.

Can Market Research Really Predict What My Members Will Do?

Even the most carefully gathered and analyzed opinion data have a shaky track record in predicting behavior. In other words, what people say and what they do are often two different things. Nevertheless, you can learn a lot about your members by asking questions.

Case Studies

Time-tested programs that work.

The following case studies offer a wide variety of activities conducted by REALTOR® associations ranging in size from 1,000 to 165,000 members. Some of these activities, such as multicultural mixers, diversity councils or summits, and mentoring, are versatile tools that can be useful for many associations in a variety of circumstances. Other activities highlighted in these case studies are designed for more specific purposes. Still other activities are not noted in these case studies at all—yet. That’s where you come in.

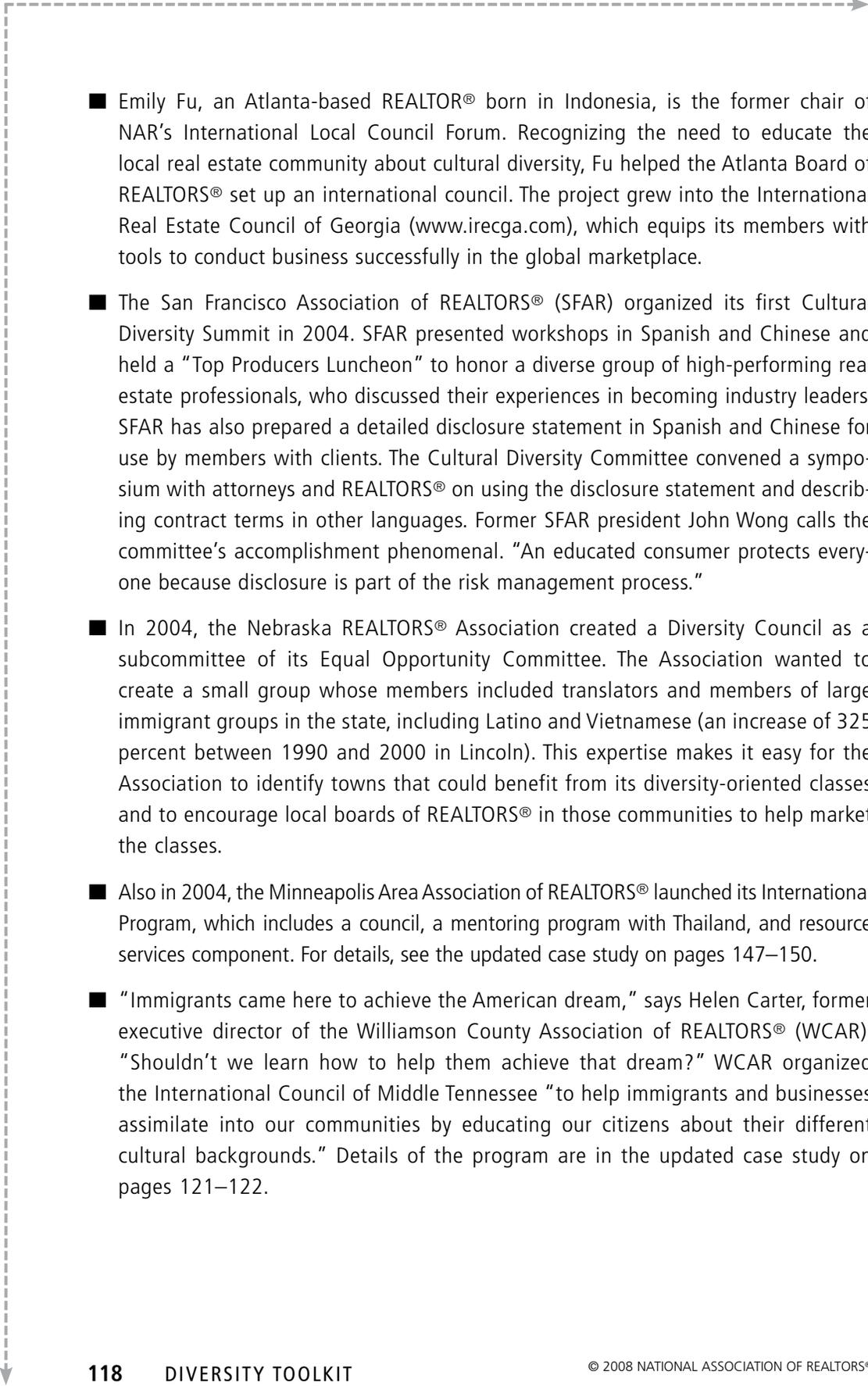
Multicultural Mixers: Affordable for All. One of the most affordable activities for advancing diversity and for associations of any size is a multicultural mixer.

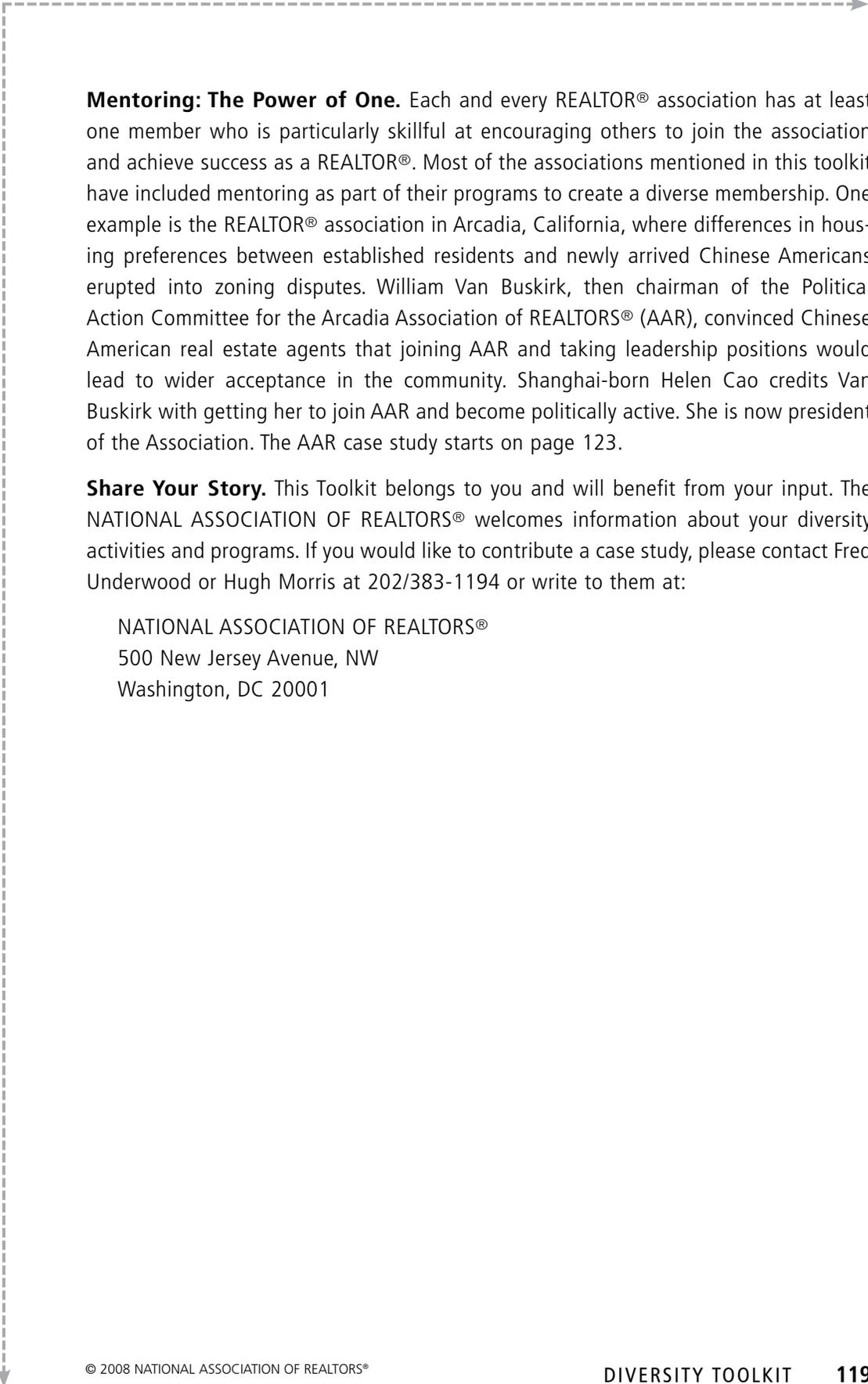
“Mixers are a good way to break the ice and start working together,” says Brian Paul, director of member and community relations at the Southland Regional Association of REALTORS® (SRAR). In SRAR’s experience, mixers also help to maintain good relationships. The Association’s Equal Opportunity and Diversity Committee sponsored its 13th mixer in September 2004.

Each SRAR mixer draws 600-800 REALTORS® and members of Southland’s diverse community at a cost to the Association of about \$500. SRAR schedules a mixer every September; since 9-11, the mixer has had a theme of community unity, and civic leaders have joined SRAR and its guests in recognizing firefighters. The mixer takes place in the Association’s parking lot. SRAR provides tables at no charge to affiliate members, who decorate the tables and provide food. Banks, title companies, and other local establishments make contributions. A band from a minority culture plays, often at no charge. SRAR holds a contest in which attendees rate the quality of the food and presentation at each table. SRAR then awards a variety of prizes.

A multicultural mixer is only one aspect of SRAR’s diversity program, which is described in the Association’s case study on pages 151–153. For more details, contact Brian Paul at 818/786-2110 or brianp@srar.com.

Diversity Councils and Summits: Wide-Ranging Benefits. Middle Tennessee is home to the largest gathering of Kurdish nationals outside western Asia. Franklin County, Ohio, has many residents from Somalia. REALTOR® associations across the country are discovering that potential homeowners come from unexpected places and are organizing international diversity councils and summits. For example:

- 
- Emily Fu, an Atlanta-based REALTOR® born in Indonesia, is the former chair of NAR's International Local Council Forum. Recognizing the need to educate the local real estate community about cultural diversity, Fu helped the Atlanta Board of REALTORS® set up an international council. The project grew into the International Real Estate Council of Georgia (www.irecga.com), which equips its members with tools to conduct business successfully in the global marketplace.
 - The San Francisco Association of REALTORS® (SFAR) organized its first Cultural Diversity Summit in 2004. SFAR presented workshops in Spanish and Chinese and held a "Top Producers Luncheon" to honor a diverse group of high-performing real estate professionals, who discussed their experiences in becoming industry leaders. SFAR has also prepared a detailed disclosure statement in Spanish and Chinese for use by members with clients. The Cultural Diversity Committee convened a symposium with attorneys and REALTORS® on using the disclosure statement and describing contract terms in other languages. Former SFAR president John Wong calls the committee's accomplishment phenomenal. "An educated consumer protects everyone because disclosure is part of the risk management process."
 - In 2004, the Nebraska REALTORS® Association created a Diversity Council as a subcommittee of its Equal Opportunity Committee. The Association wanted to create a small group whose members included translators and members of large immigrant groups in the state, including Latino and Vietnamese (an increase of 325 percent between 1990 and 2000 in Lincoln). This expertise makes it easy for the Association to identify towns that could benefit from its diversity-oriented classes and to encourage local boards of REALTORS® in those communities to help market the classes.
 - Also in 2004, the Minneapolis Area Association of REALTORS® launched its International Program, which includes a council, a mentoring program with Thailand, and resource services component. For details, see the updated case study on pages 147–150.
 - "Immigrants came here to achieve the American dream," says Helen Carter, former executive director of the Williamson County Association of REALTORS® (WCAR). "Shouldn't we learn how to help them achieve that dream?" WCAR organized the International Council of Middle Tennessee "to help immigrants and businesses assimilate into our communities by educating our citizens about their different cultural backgrounds." Details of the program are in the updated case study on pages 121–122.



Mentoring: The Power of One. Each and every REALTOR® association has at least one member who is particularly skillful at encouraging others to join the association and achieve success as a REALTOR®. Most of the associations mentioned in this toolkit have included mentoring as part of their programs to create a diverse membership. One example is the REALTOR® association in Arcadia, California, where differences in housing preferences between established residents and newly arrived Chinese Americans erupted into zoning disputes. William Van Buskirk, then chairman of the Political Action Committee for the Arcadia Association of REALTORS® (AAR), convinced Chinese American real estate agents that joining AAR and taking leadership positions would lead to wider acceptance in the community. Shanghai-born Helen Cao credits Van Buskirk with getting her to join AAR and become politically active. She is now president of the Association. The AAR case study starts on page 123.

Share Your Story. This Toolkit belongs to you and will benefit from your input. The NATIONAL ASSOCIATION OF REALTORS® welcomes information about your diversity activities and programs. If you would like to contribute a case study, please contact Fred Underwood or Hugh Morris at 202/383-1194 or write to them at:

NATIONAL ASSOCIATION OF REALTORS®
500 New Jersey Avenue, NW
Washington, DC 20001

Association Members “Think Globally, Sell Locally”

Summary

Immigration is the largest factor in the changing demographics of middle Tennessee, which includes greater Nashville. While small, the Williamson County Association of REALTORS®, which serves this area, has made a big commitment to diversity and now provides language and cultural education for its 1,200-plus members.

Background

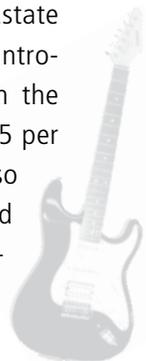
Middle Tennessee is home to residents from more than 80 different nationalities. A construction boom, a burgeoning biotechnology industry, and the presence of three universities fuel immigration to the area. There is a significant Ukrainian population and the largest concentration of Kurdish nationals outside their homeland. The Hispanic population is among the fastest growing, increasing by 400 percent between 1990 and 2000. Keeping in mind that a third of first-time homebuyers are immigrants, the Williamson County Association of REALTORS® (WCAR) is looking at ways to help members serve their current and anticipated markets more successfully.

What the Association Did

“We are attempting not only to diversify our membership,” says Helen Carter, former executive director of WCAR, “but to help our current members understand that by diversifying their client base they create more opportunities and that these opportunities multiply.” The Association undertook a variety of projects to bring REALTORS® up to speed.

Language skills: Many members will need to acquire new language skills, Carter believes. She strongly encourages members to refrain from “using the client’s 12-year-old as interpreter” and, instead, to sign up for “Spanish for Real Estate Professionals,” offered since 2003. The 15-hour course, similar to college-level introductory Spanish, includes basic language instruction as well as information on the Hispanic culture. Association members pay \$250, and the instructor receives \$245 per student. The instructor approached the Association with a ready-made course, so out-of-pocket costs to date have been zero. Once enough members have mastered basic Spanish, the Association plans to offer an 8-hour follow-up course emphasizing real estate terminology.

New REALTORS® signing up with WCAR are asked what languages they speak, and there are plans to survey the entire membership on language skills. WCAR intends to add this information to its member database.



REALTOR® education: In 2005, WCAR began using its Lunch and Learn program (a brown bag get-together) to educate members on cultural diversity issues. “Our members have to get continuing education credits for renewal of license,” explains Carter, “so we’ll be using these sessions as opportunities to impart an understanding of other cultures—what works and what doesn’t.” Instructors will be unpaid WCAR members who are from other cultures. “We have members from Iran, Iraq, Turkey, all over. And they know the problems that newcomers experience.”

International Council: Association leadership decided to form the International Council of Middle Tennessee “to help immigrants and businesses assimilate into our communities by educating our citizens about their different cultural backgrounds and the methods by which they prefer to achieve home ownership.” Membership is open to anyone in the greater Nashville area, including REALTORS®, mortgage bankers, chambers of commerce, colleges, and universities.

The International Council fosters opportunities for education, networking, and partnering with other community organizations to achieve its goals. One of the first programs offered was “The Influence of Foreign Scholars on Middle Tennessee,” which highlighted the numbers, housing needs, and economic impact of foreign faculty and students attending the area’s colleges and universities.

WCAR provided \$3,000 in seed money to launch the council and donated staff time to establish its bylaws, articles of incorporation, and separate tax identity. Annual membership dues are \$50.

More than staff and money, the key to success, according to Carter, is “passion.” She credits 2004 WCAR president Emil Mongeon with leading the charge in an effort that is now “snowballing.” As Carter puts it, “Immigrants came here to achieve the American dream. Shouldn’t we learn how to help them achieve that dream?”

Outcomes

WCAR’s efforts have borne fruit in a number of different areas. Nearly 100 WCAR members have taken the Spanish language course offered by the Association. Members also traveled to Romania in fall 2004 to meet colleagues through the NAR Ambassador program, and WCAR later hosted delegations from Romania and Latvia. The forum on international scholars hosted by the International Council drew 80 participants, including representatives of the local immigration council.

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REALTORS® Help Bridge a Cultural Divide

Summary

The Arcadia Association of REALTORS® helped its community in California go from an atmosphere of reticence and mistrust to one of participation and friendship, by encouraging real estate agents of different ethnic backgrounds to become active REALTORS®.

Background

During the 1980s, the San Gabriel Valley came to include the largest suburban Chinese American population in the country, as residents of traditional enclaves in Los Angeles moved to the suburbs. By 2000, cities like Arcadia, once largely white, had a population that was nearly 40 percent Chinese American.

While these wealthy, educated new arrivals brought their businesses and new economic activity to the region, they also brought new preferences in housing. For example, the newly arrived Chinese residents, with a tradition of multigenerational living, saw a need for larger homes, while more established residents of Arcadia saw tree-lined lots being stripped and homes that clashed in design and color with theirs being built. Zoning disputes split the real estate market along ethnic lines. Furthermore, many of the area's REALTORS® felt excluded from this new real estate market, as Chinese Americans looking for housing were more comfortable dealing with minority-owned agencies, such as the rapidly expanding Long Dragon Realty.

What the Association Did

During this time of transition, the Arcadia Association of REALTORS® (AAR) was fortunate to count William (Bill) Van Buskirk among its politically active members. Van Buskirk (Monrovia Board of REALTORS® president, 1987–1988; AAR president, 2000; AAR Political Action Committee chairman, 1995–1998 and 2001) saw AAR as the organization to reach out to all of the residents of Arcadia. Van Buskirk went to work to encourage Chinese American real estate agents, who were unfamiliar with AAR and reluctant to become REALTORS®, to join the Association. He instilled a level of trust and understanding among the new arrivals to Arcadia that would lead to wider acceptance of all cultures within the community. This helped pave the way for political compromise and the passage of a zoning regulation that was acceptable to all parties in the housing market.



As these new agents joined AAR, Van Buskirk encouraged them to take up leadership positions in the organization. Helen Cao, for instance, says Van Buskirk inspired her to join AAR. Born in Shanghai, and a holder of an MBA degree, Cao was a young, respected real estate agent in Long Dragon Realty. But she says she had “zero involvement” with AAR until she met Van Buskirk, who was then chairman of the AAR Political Action Committee. Van Buskirk persuaded her to join the Budget and Finance Committee of AAR and then encouraged her to take on a leadership role.

“He was like a mentor to these new agents from Long Dragon,” says Pat Vercelli, membership director of AAR. “And he was a real catalyst to welcoming the diversity into our Association over the last few years.”

Today Cao is president of AAR. In fact, two of AAR’s last three presidents—Cao and Kelvin Wong—have been Chinese Americans, and other REALTORS® from the Chinese American community have taken up positions on AAR’s Board of Directors. Chinese American–owned real estate agencies are also heavily represented in AAR.

Outcomes

Bill Van Buskirk died in 2002, but the organization has continued to take a lead in pushing for cooperative solutions to cultural and linguistic differences. In November 2004, AAR offered a bilingual seminar—taught in English and Mandarin Chinese—which focused on the details of the California Association of REALTORS® (C.A.R.) Residential Purchase Agreement. The free seminar was sponsored by AAA, C.A.R., and Security Pacific Loans, and attracted 400 real estate professionals from across Southern California.

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Self-Testing Goes Public, Leads to Better Housing Choice for All

Summary

The U.S. Department of Housing and Urban Development released a study in 1996 identifying significant barriers to housing choice in Monroe County, New York. Taking this as a challenge to do better, the Greater Rochester Association of REALTORS® joined forces with an advocacy group and did its own testing of local practices. The resulting report formed the basis for the Community Choice Action Plan, which has led to significant improvements in access to homeownership. Recognized by HUD as a “Blue Ribbon Practice,” the Action Plan is one of several successful diversity programs implemented in Greater Rochester.

Background

On July 24, 1964, the City of Rochester erupted in one of the worst race riots of that decade. Among the African American community’s major grievances was the substandard housing in their ghettoized neighborhoods, a result of the city’s de facto segregation.

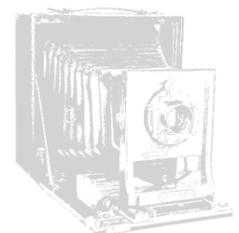
Change was slow in coming. In 1996, a HUD-funded study of barriers to housing choice in Monroe County found that the real estate advertising and sales process discouraged handling low-income properties and dealing with low-income buyers, and that no testing had been done to determine whether the county harbored discriminatory and illegal real estate practices.

The HUD “Analysis of Impediments,” or AI, was a kind of wake-up call for Rochester and surrounding Monroe County. “We felt we had been making good progress expanding housing choice in our area,” says John R. Piper, former CEO of the Greater Rochester Association of REALTORS® (GRAR), “but clearly we had to do a lot more.”

The initial challenge presented to the real estate community was to do its own local testing of current practices.

What the Association Did

About this time, the Housing Council of Monroe County, a highly respected nonpartisan advocacy organization, hired a new executive director, Anne Peterson, a former real estate broker from Syracuse, New York. Soon after the release of the AI, GRAR’s Piper enlisted the collaboration of Peterson and the Housing Council to carry out a confidential, countywide test of the real estate practices of GRAR member firms.



The GRAR Board understood that the monetary outlays involved in self-testing (about \$50,000) were preferable to the possibly high cost in public relations of pursuing third-party testing that might result in disparaging headlines and little in the way of corrective advice or training.

Once the testing was completed and the results evaluated, Anne Peterson wrote the report for the Housing Council, listing the positive and negative practices then in play, and presented her results in private meetings with GRAR firms.

The county's REALTORS® recognized that the testing had been done not to make headlines or to throw mud at their profession but to educate them on what they were doing well and ought to continue and what they were doing poorly and ought to correct. GRAR and the Housing Council then took a bold and surprising step. Since the report gave a candid view of real estate practices in the county but named no names (strong safeguards were built into the testing process to protect confidentiality), everyone involved agreed to make it public. That decision demonstrated to the people of Monroe County that the REALTORS® intended to be key players in whatever next steps were required to respond to the HUD-funded AI. "It was a very important step for us," says Piper, "because it said that we were not part of the problem, as some might like to think, but that we intended to be part of the solution."

Outcomes

The GRAR organized a county-wide strategy team, which in 1997 announced a Community Choice Action Plan and invited anyone—concerned residents, housing advocates, housing professionals, business people—to join one of five implementation task forces. The assignment of one task force was to improve real estate practices in Monroe County "to enhance housing choice for all residents of the metropolitan area." Specifically, the task force was charged with increasing REALTOR® participation "in listing and actively selling residential property in the City of Rochester, especially targeting middle-income buyers" and "to increase the number of minority real estate professionals." Achievements of the task force to date include:



Share of Monroe County's population:



Greater Rochester Association of REALTORS®

- A major “City Living” campaign designed to enhance the city’s real estate market for middle-income buyers. The campaign includes “City Living Sundays,” a popular and well-attended event actively supported by large numbers of the area’s REALTORS®.
- A REALTOR® support program within the “Home Room”—a City Living Resource Center sponsored by the local Landmark Society—to provide listing and advertising assistance to any REALTOR® selling housing properties in the City of Rochester.
- Contributions to the city’s homeownership revitalization programs, such as Home Expo, Home Rochester, Home Acquisition Program, and new construction subdivisions.
- Greater minority access to homeownership through a partnership with the Real Estate Board.

GRAR became one of the first half-dozen real estate associations in the country to offer At Home with Diversity®, a nationally recognized course designed by HUD and the NATIONAL ASSOCIATION OF REALTORS® that addresses day-to-day issues arising in the purchase and sale of homes. To encourage minorities to enter the real estate

“Education is what opens the doors to the homebuyer, and education is what makes it possible for the REALTOR® to buy and sell housing not just according to the law but according to the needs and desires of the clientele being served, regardless of their background or social station.”

— John R. Piper, former CEO, Greater Rochester Association of REALTORS®

profession, GRAR extended its training programs and actively recruits minorities, offering \$250 scholarships for prelicensing training.

“We’ve done a number of things in response to the findings in the AI,” says Piper. “But the main thing we’ve done and that we continue to do is education. That’s the key to choice. Education is what opens the doors to the homebuyer, and education is what makes it possible for the REALTOR® to buy and sell housing not just according to the law but according to the needs and desires of the clientele being served, regardless of their background or social station.”

Education was very important for the REALTOR® community itself, says Piper. “At first, back in 1995 and 1996, not all our members understood the challenge facing our industry. Our Board moved ahead very carefully and discreetly, but it also put on a series of seminars that, piece by piece, rolled out the scope and depth of the job we were taking on. Since that time, the GRAR Board has fully accepted the responsibility of member training not only with respect to the laws and regulations governing our profession but also with respect to social issues like diversity that affect our community and our marketplace.”

GRAR members speak at dozens of venues to acquaint Monroe County residents with opportunities for housing choice, emphasizing the commitment of GRAR to equal housing opportunity. In partnership with housing advocacy organizations, GRAR also produced a half-hour TV film titled “Your Community—Your Home,” which has been aired on Rochester’s WHEC-TV (channel 10). To make the film, the partnership raised \$50,000 in seed money from title companies, banks, other lenders, local governments, and a few individual REALTORS®. “The film is all about the opportunities and benefits of homeownership in the Greater Rochester area,” Piper says. “Though many remain unaware of the variety of choices that exist for them, homeownership options are available in all housing segments.”

Another positive outcome has been the deepening of the relationship between the REALTORS® and minority communities. GRAR established a REALTORS® Charitable Foundation (RCF), which has given grants to community groups that provide housing or shelter to persons in need. One such grant went to Sojourner House, a shelter for abused women, which moves them and their children into a nearby apartment complex when they are ready for independent living. Another grant went to Wilson Commencement Park, which provides housing and other support services for women who are in transition from welfare to work or escaping from abusive relationships. RCF has also supported a free hotline to answer consumers’ questions about mortgage rates, lending practices, real estate contracts, fair housing laws, and other housing-related matters.

“In just a few years, we’ve managed to turn things around,” Piper sums up. “The HUD AI report back in the mid-’90s wasn’t the kind of report we wanted to see. But it did get us moving in the right direction and stimulated the REALTOR® community to stand up and play a leadership role in helping our Rochester and Monroe County achieve fairness and choice in housing.”

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Gaining Stature: Antifraud Campaign Enhances Professional Image

Summary

Unscrupulous business practices in Baltimore were causing financial hardship and giving legitimate real estate agents a bad name. Spearheaded by the Greater Baltimore Board of REALTORS®, a broad-based coalition of government and private sector organizations financed a public education campaign on the right way to buy a home and avoid scams. Today, the struggle continues, but homebuyers are better informed and more confident now that the REALTORS® are on their side.

Background

In a series of articles in 1999, *The Baltimore Sun* revealed widespread fraudulent real estate practices in the City of Baltimore targeting African American women. In a typical transaction, an investor would purchase a property at market value, usually \$10,000–\$15,000, then collude with an unscrupulous appraiser to inflate the property's value many times over. An unsuspecting and uninformed buyer would then be steered to a mortgage broker who was also in league with the investor. The contract price might be as high as \$50,000–\$80,000.

The buyer usually had a low income and a poor credit history, so it was not unusual for her income to be overstated and debts downplayed in the mortgage application. Often, a second mortgage went unrecorded. The housing loan was then processed through an unsuspecting out-of-state bank, which had no knowledge of the Baltimore real estate market and would consider the transaction to be legitimate. Unaware that these houses often needed costly repairs, many buyers fell behind in their payments soon after closing.

The problem was pervasive. Fully 10 percent of the 7,640 FHA-insured mortgages issued in the city in 1996 and 1997 were in default by October 1998, many as a result of fraudulent transactions. Maryland's Department of Assessment and Taxation reported that between January 1, 1996, and July 1, 1999, 3,500 homes were bought and then resold within six months at double (or higher) the original purchase price.

These practices essentially guaranteed that the targeted minority purchaser would be forced into foreclosure and bankruptcy, and therefore stigmatized with a bad credit



report for years to come. Afterwards, the victims tended to mistrust all real estate professionals, including the legitimate ones.

Baltimore's targeted neighborhoods were being devastated. Typically, they had been on the brink of decline, with many foreclosed or abandoned properties that could be purchased for relatively little cash. Following a real estate scam, the neighborhood was left with additional foreclosed and abandoned properties, further depressing property values. In 2000, the State Department of Assessment and Taxation reduced assessments by more than 23 percent for over 3,700 properties in East Baltimore. The average assessed value of a home in a targeted neighborhood fell from \$46,973 to \$35,950.

What the Association Did

Through their participation in the Southeast Community Organization, members of the Greater Baltimore Board of REALTORS® (GBBR) learned that community activists intended to propose new legislation and mandatory disclosure laws that they felt would help to curb the fraudulent practices. The activists made it clear they held a low opinion of the real estate, lending, and appraising industries. Informed of the activists' plans, the GBBR Issues Mobilization Committee grew concerned that the proposed measures would needlessly burden legitimate real estate transactions without reducing the fraud. The Committee recommended that GBBR organize a broad-based task force to find an alternative solution, and the Board agreed.

Every housing organization with which the GBBR had ever had dealings—positive or negative—was invited to send representatives to the task force's first meeting. Many members of GBBR's own Issues Mobilization and Legislative Committees also attended. Ultimately, 45 powerful individuals joined the coalition: members of the homeownership counseling industry, REALTORS®, lenders, appraisers, elected officials from the City of Baltimore and the Maryland House of Delegates, members of the predominantly African American Real Estate Brokers of Baltimore, representatives of the NAACP and of the Southeast Community Organization, and others. A consensus emerged that the most effective approach was to educate prospective buyers in the right way to buy a home. The coalition launched a comprehensive public awareness campaign.

GBBR took responsibility for writing grant applications, and coalition members contributed generously:

- Fannie Mae Foundation, Freddie Mac, and HUD, \$50,000 each
- The National Association of REALTORS®, \$25,000
- Baltimore County and City of Baltimore governments, \$15,000 each In-kind contributions of bus and billboard advertising space, radio and TV time, and GBBR staff time, nearly \$70,000.

The City of Baltimore, which was heavily involved in the effort, suggested an advertising agency with which they had a prior relationship. GBBR discussed the scams with the agency and provided demographic information on targeted buyers, and the agency designed advertisements and decided where to put them to maximize their effect.

The ads directed prospective homebuyers to the homeownership counseling hotline run by the Maryland Center for Community Development (MCCD), a statewide nonprofit organization that promotes fair housing and community development and trains local groups to provide housing counseling. The hotline in turn referred callers to free housing counseling already offered by various groups, including the Greater Baltimore Urban League, Housing Charities Inc., Harford County Housing Agency, Eastside Community Development Corp., Liberty Randallstown Coalition Inc., The Development Corp., GEMS (Govans Economic Management Senate, Inc.), and the Family Service Association. In addition to individual counseling, these groups ran free homebuying workshops that lasted several hours, in which a real estate professional, homebuying counselor, and lender presented an overview of a buyer's rights and responsibilities in the real estate transaction. The hotline, counselors, and workshops all encouraged homebuyers to use licensed buyer agents to represent them in the purchase transaction.

Called "Know Real Estate Fraud When You Hear It," the campaign consisted of 30 billboards, 80 bus exterior and 300 bus interior advertisements, and television and radio spots. Five of the billboard ads and all of the bus interiors were in-kind donations, and in-kind contributions from radio and television stations essentially made GBBR's purchases of airtime a two-for-one deal. "Radio and TV stations want to do community outreach anyway," says Carolyn Cook, GBBR's deputy executive vice president, "so it's not too difficult to leverage more time if you can convince them that it's for a worthy cause." In fact, one local radio station donated studio time for the production of radio ads, and the city cable channel donated studio time for the TV ads.

The targets of the radio and television campaign were African American women aged 25-49 in the Baltimore metropolitan area, the demographic group hit hardest by fraudulent real estate practices. Likewise, billboard and bus advertising was aimed, to the greatest extent possible, at those neighborhoods in the city where these practices had been occurring. The radio spots reached 62.7 percent of the target audience an average of 11.7 times during a three-week run, and the TV spots reached 97.4 percent of target audience an average of 10.3 times during a two-week run.

In all, the campaign spent:

- \$21,000 on advertising agency fees
- \$17,000 on design and production of billboards and bus ads
- \$66,000 on billboards and bus space

- \$8,500 on radio and TV ad production
- \$29,000 on radio time
- \$26,000 on TV time.

Another \$25,000 went to a subsequent media buy. Some grant money still remains in the account, so GBBR can continue to afford to print and distribute a brochure to community and religious organizations in Baltimore, in cooperation with the City's Homeownership Institute, the Greater Baltimore Community Housing Resource Board, and MCCD. The brochure alerts readers to real estate scams and encourages them to attend a homebuying workshop.

Outcomes

The success of the campaign headed off community demands for new legislation. MCCD reported that calls increased from 35 in January to 60 in February 2001, by which time about one-third of callers were asking how to buy a home without getting scammed. Meanwhile, the Maryland Attorney General's office, HUD, the FBI, the U.S. Department of Justice, and a host of other federal and state agencies undertook vigorous enforcement and prosecution efforts and obtained several convictions. More than 50 people have either pleaded or been found guilty in these cases, receiving prison terms of up to nearly three years.

Still, the struggle against predators goes on. When the public education campaign began, scam artists shifted targets from first-time homebuyers in the City of Baltimore to out-of-town investors with no knowledge of the Baltimore real estate market. More recently, it was discovered that a lending company was deliberately failing to post customers' payments on time in order to charge late fees and eventually foreclose mortgages. Through its participation in the Baltimore City Flipping Task Force, whose members exchange information on the latest scams, the GBBR introduced borrowers whose credit had been damaged to sympathetic lenders who helped them disengage from the predator.

Perhaps most importantly, though, the effort has rehabilitated the image of REALTORS® in the eyes of those angry at real estate abuses, and has given GBBR lasting political stature within the City of Baltimore. "It helped us bridge the gaps we'd had in the past with other groups," says Cook. "We may still sometimes have differences of opinion, but they look at us as an organization that's trying to solve problems."

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Planning for a Majority of None: Web Site, Mentors Reach Varied Groups

Summary

The Santa Clara County Association of REALTORS® decided it made business sense to encourage professionals from diverse backgrounds to take leadership positions within the Association. Using information from a survey of new members, the Association's Equal Opportunities Committee has launched a multifaceted outreach and mentoring program targeting Hispanic, Chinese American, Vietnamese, and other populations.

Background

About 1.7 million people live in Santa Clara County in northern California, which includes Silicon Valley and San José. Census figures for the county show that the area is becoming increasingly diverse. The ethnic diversity of REALTORS® has followed this trend as well.

More than 2,600 of the 8,300-plus members—31 percent—of the Santa Clara County Association of REALTORS® (SCCAOR) speak a primary language other than English. The SCCAOR Board of Directors recognized that the continued vitality of its Association depended on promoting leadership from among its newer members and creating a mechanism to give all members a better understanding of the cultural and ethnic background of homebuyers and sellers.

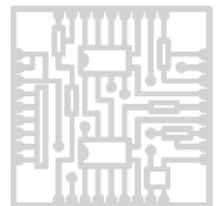
"We decided to make internal changes that reflected not only our membership but also our changing community," says Paul Stewart, former executive director of SCCAOR. "Our work starts with our own organization."

What the Association Did

Former SCCAOR president Mike Donohoe announced that one of the major goals for 2003 would be to reach out to minority members to foster leadership opportunities within SCCAOR. The Board established the Equal Opportunities Committee (EOC) under the chairmanship of Edwin P. Resuello, broker-owner of Silicon Valley Homes and now on SCCAOR's Board of Directors.

The EOC's 14 members are volunteers and its 2003 budget was about \$10,000. SCCAOR's public relations and communications director also provides support and a staff person carries out occasional administrative responsibilities. "It's helpful to have a staff person who essentially becomes a liaison to the other committees to see what the other parts of the organization are doing," notes Resuello.

8,300
MEMBERS



An online survey yielded useful information on the demographics of Santa Clara County's real estate professionals and supported anecdotal evidence from SCCAOR's orientation sessions for new members. At the time SCCAOR had 5,700 members, and previous surveys of the membership have usually generated about 40 responses. In order to get statistically significant results, SCCAOR promoted the survey in its online newsletter and announced a prize drawing for a Palm Pilot. Nearly 450 members responded, over 10 times the average. The statistics gave the Association not only information about the ethnic and cultural background of respondents, but also revealed that 83 percent were full-time real estate agents and 56 percent had less than 10 years experience. Based on these results, SCCAOR implemented two innovations:

Multicultural Web site: The EOC translated part of SCCAOR's Web site into Spanish and basic Chinese and plans further translations into Korean, Tagalog, and Vietnamese. The Web site makes information more accessible to members and also includes a searchable database that allows the public to identify REALTORS® who are fluent in a language other than English. Web-Translations in Wakefield, England, translated SCCAOR's Web site into Spanish and Chinese for about \$11,000. Information technology manager Andrea Harbert spent about 20 hours on the project and notes that little is needed to maintain the pages, which change infrequently.

Leadership and Mentoring Program: The EOC established a Leadership and Mentoring Program (LAMP) using volunteers from the committee who reflect the Chinese, Filipino, Hungarian, Korean, Middle Eastern, and Vietnamese REALTOR® membership. As part of LAMP's goal to identify and mentor future SCCAOR leaders from among minority REALTORS®, the EOC fostered links with groups of real estate professionals from diverse cultures. Initial outreach efforts focused on strengthening ties to existing groups, including the Chinese American Real Estate Association, the Hispanic Association of Real Estate Professionals, and the Women's Council of Realtors.

SCCAOR also encourages the development of new groups. LAMP activities include a newsletter and toolkit to help future leaders establish minority REALTOR® groups, with an eye toward attaining leadership positions in SCCAOR. The toolkit, developed by the public relations and communications director, focuses on the organizational basics of chartering a real estate association, such as:

- Sample bylaws for a board of directors
- Rules of parliamentary procedure
- Job descriptions for the officers and first board of directors
- Member recruitment.

These groups would act autonomously and would not pay dues to SCCAOR, but a majority of their respective boards and members would be SCCAOR members.

In essence, the EOC wants to give SCCAOR members organizational expertise that they can “put into a binder, take somewhere else, and create a group,” says Resuello.

The goals of LAMP benefit SCCAOR in several ways. Minority real estate professionals establish and enhance services to their communities. These professionals encourage other members of the minority associations to join SCCAOR. They bring with them their cultural backgrounds and expertise in working with members of their own ethnic or cultural communities. And they use leadership skills acquired in the smaller associations to enhance the administration and efficacy of SCCAOR. The general membership of SCCAOR learns the “hot” words or topics that influence buying and selling in a particular ethnic community.

Outcomes

Many new SCCAOR members are from minority groups and have expressed an interest in leadership positions. Included among these are real estate professionals who have joined the EOC and are working to establish associations with ties to SCCAOR.

The Filipino-American Real Estate Professionals Association held its first meeting in May 2003, thanks in large part to the work of Resuello (who has a Filipino background), Ray Maglalang, and the EOC. Shortly afterwards, other members of SCCAOR asked for help in forming an Indo-American association (for real estate professionals with Middle Eastern, Indian, or Pan-Pacific backgrounds) and a Vietnamese American association.

EOC chairman Resuello notes that “buy-in” from traditional majority members is critical. “I do think that this would have been much more difficult had it not been one of the primary goals of the president,” he says. Donohoe’s announcement of the program at the beginning of 2003 “made it formal, something where everyone expected to see results.” Stewart contacted local government officials interested in equal opportunity, and conversations with those officials gave the effort more media attention.

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One Group Leads to Another: Launch of a Diversity Network

Summary

In response to the changing demographics in the Seattle area, the Seattle King County Association of REALTORS® launched a new Cultural Diversity Presidential Action Group and actively recruited minority members to participate. The Association has also devoted a section of its Web site to diversity resources, based on information gained through cooperation with other real estate associations, nonprofit organizations, and federal and local government agencies.

Background

Between 1990 and 2000, the African American population of Washington state grew by 27 percent, the Asian population by 53 percent, and the Hispanic population by 106 percent. Overall, the state's minority population increased by 92 percent, with most of the growth concentrated in Seattle.

What the Association Did

In September 2002, Steven Wayne, former president of the Seattle King County Association of REALTORS® (SKCAR), invited Paul Bascomb and Maria (Suki) Bazan to cochair a new Cultural Diversity Presidential Advisory Group. Bascomb is African American and Bazan is Hispanic; both are members of SKCAR's Board of Directors. The three met with Ginger Downs, SKCAR's former executive vice president, and decided on the following procedures:

Presidential Advisory Group recruitment: On its annual member data sheet, SKCAR had asked agents if they spoke a foreign language. Out of 6,000 members, 600 responded positively; in all, they represented close to 50 languages. Those 600 received e-mails inviting them to join the Presidential Advisory Group. SKCAR also sent notices to broker members, asking if any agents in their offices might be willing to serve, and to potential sources of information and advice outside its membership: mortgage bankers, escrow and title companies, nonprofit groups involved in minority housing issues (the Urban League, El Centro de la Raza, the International District Housing Alliance, and State Finance Commissions), and governmental and quasi-governmental agencies working with minority communities (Fannie Mae, Freddie Mac, the U.S. Department of Housing & Urban Development, and local city and county governments).

"These groups are fairly easy to identify," says Downs. "All you need to do is talk to one and they'll give you the name of four others." Through Bazan, for instance, SKCAR



was able to identify a Hispanic real estate professionals group; and another individual helped identify a Korean American women's real estate professionals group.

More than 30 REALTORS® and representatives from low-income housing providers, banks, HUD, and Fannie Mae attended the first meeting in January 2003. Two-hour meetings have taken place every month since then, and while the same people are not always present, the number of attendees has remained between 30 and 35.

Member education: SKCAR pays \$350 a year for an Internet survey service called Zoomerang. An online survey revealed that more than half of SKCAR's members had never heard of many local low-income and minority housing organizations. Yet these organizations provide the information and assistance that members indicated, elsewhere in the survey, that they needed. The Presidential Advisory Group decided to devote a section of SKCAR's Web site to diversity resources, such as products and services, agencies that work with various minority groups, and brochures in four languages.

Because SKCAR had invited representatives from so many of these groups to attend the workgroup meetings, the information was easy to come by. It took about two days of staff time to organize the information and design the Web pages.

Outcomes

Presidential Advisory Group members were encouraged to become involved in SKCAR's committees and run for a seat on the Board of Directors. In 2003 the Board had five open seats, and a Hispanic agent, an Asian agent, and an African American agent were elected, bringing the total number of minority Board members to four. "We have had agents of color on our board before," says Downs, "but this is the largest concentration." A change in SKCAR's bylaws is expected to bring about more such opportunities: of the five at-large seats on the Board, two will be set aside each year for real estate agents or brokers who have not served in the past three years.

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SKCAR Cultural Diversity Survey

SKCAR is attempting to better understand the ethnic and racial diversity of our membership and the clients they serve. SKCAR's goals are: 1) to prepare members to work with new American and culturally diverse homebuyers through understanding those buyers' cultural differences and special needs, 2) to increase diversity in the real estate workplace and SKCAR's membership, and 3) to expand diversity within SKCAR's leadership. SKCAR has formed a work group to address these issues and now needs your critical input to direct their work efforts. Thank you.

1. Are you a:		Number of Responses	Response Ratio
Broker/Owner or Office Manager		15	8%
Sales Associate		161	90%
Personal Assistant		0	0%
Affiliate: Mortgage lender		3	2%
Affiliate: Title or Escrow service		0	0%
Affiliate: Other		0	0%
Total		179	100%

2. Office Location:		Number of Responses	Response Ratio
Snohomish		1	1%
North King County		13	7%
East King County		61	34%
Seattle or West Seattle		56	31%
South King County		47	26%
Pierce County		0	0%
Total		178	100%

3. Are you with a Franchise office? (i.e. Windermere, John L. Scott, Coldwell Banker, etc)		Number of Responses	Response Ratio
Yes		148	83%
No		31	17%

4. Number of sales licensees in office:		Number of Responses	Response Ratio
1 – 10 licensees		11	6%
11 – 25 licensees		14	8%
25 – 50 licensees		47	27%
50+ licensees		104	59%
Total		176	100%

5. You identify your racial/ethnic background as:		Number of Responses	Response Ratio
American Indian		0	0%
Asian		24	14%
Black or African American		5	3%
Hispanic/Latino		7	4%
White		122	69%
Two or more races (list in comments)		2	1%
Other (list in comments)		3	2%
Comments		14	8%
Total		177	100%

6. What percentage of the agents in your office are ethnically or racially diverse?

	Number of Responses	Response Ratio
None	13	7%
1 – 25%	138	78%
26 – 50%	20	11%
51 – 75%	3	2%
76 – 100%	3	2%
Total	177	100%

7. I speak the following foreign languages (check all that apply):

	Number of Responses	Response Ratio
Arabic dialects (note in comments)	1	2%
Cantonese	7	11%
Farsi	3	5%
Indian dialects (note in comments)	0	0%
Japanese	3	5%
Korean	4	6%
Mandarin	11	17%
Russian	1	2%
Spanish	17	26%
Tagalog	4	6%
Thai	1	2%
Vietnamese	0	0%
Other(s), Please Specify	36	55%

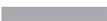
8. How important are foreign language skills to your success?

	Number of Responses	Response Ratio
Very Important	26	15%
Somewhat Important	43	26%
Not Important	99	59%
Total	168	100%

9. What percentage of your clients are non-English speaking homebuyers?

	Number of Responses	Response Ratio
0 – 10%	136	77%
11 – 25%	17	10%
26 – 50%	13	7%
51 – 75%	6	3%
76 – 100%	5	3%
Total	177	100%

**10. What are the languages spoken by these individuals?
(Check all that apply)**

		Number of Responses	Response Ratio
Arabic dialects (note in comments)		9	7%
Cantonese		35	28%
Farsi		12	9%
Indian dialects (note in comments)		15	12%
Japanese		22	17%
Korean		34	27%
Mandarin		28	22%
Russian		30	24%
Spanish		56	44%
Tagalog		11	9%
Thai		10	8%
Vietnamese		45	35%
Other, Please Specify		24	19%

11. Has the percentage of culturally diverse clients you serve increased or decreased in the last 3 years?

(The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option.)

	1 Increased	2 Decreased	3 No change	N/A
1. African	12% 16	1% 2	40% 55	46% 63
2. American Indian	6% 7	1% 1	38% 45	55% 65
3. Asian	53% 79	5% 7	28% 41	15% 22
4. Black/African American	21% 27	2% 3	45% 57	31% 39
5. East Indian	32% 38	3% 3	23% 28	43% 51
6. Eastern European	31% 37	3% 3	28% 33	39% 46
7. Hispanic/Latino	32% 42	4% 5	32% 42	32% 41
8. Middle Eastern	20% 22	3% 3	32% 35	45% 49
9. Other	21% 15	3% 2	28% 20	48% 34

**12. How are you introduced to these home buyers/sellers?
(Check all that apply)**

	Number of Responses	Response Ratio
Church affiliation.	20	13%
Live in my home community.	32	20%
Live in the community where my office is located.	30	19%
Organizations (i.e. Hispanic Chamber of Commerce)	8	5%
Referrals from other clients.	111	71%
Referrals from other agents.	24	15%
Referrals from housing organizations (i.e. CHOC)	4	3%
Other, Please Specify	57	36%

13. What are the biggest obstacles for minorities or culturally diverse individuals who want to purchase/sell homes? (Check all that apply)

	Number of Responses	Response Ratio
Access to Credit	23	14%
Credit Issues - No history	52	33%
Credit Issues - Poor credit	25	16%
Cultural issues	63	39%
Insurance	9	6%
Lack of Education on homebuying process	81	51%
Lack of money	27	17%
Lack of affordable housing supply	39	24%
Language	68	43%
Mistrust of real estate professionals	59	37%
Predatory lending (higher loan costs)	28	18%
Steering	11	7%
Other, Please Specify	33	21%

14. The following housing organizations all provide a variety of services and products designed to assist minority and culturally diverse homebuyers and sellers. Are you aware of, and work with, any or all of these organizations?

(The top percentage indicates total respondent ratio; the bottom number represents actual number of respondents selecting the option.)

	1 Work with Frequently	2 Work with Occasionally	3 Never Work with	4 Was not aware of
1. ACORN - Assn. of Community Org. for Reform Now	3% 4	7% 10	26% 37	65% 94
2. CHOC - Community Home Ownership Center	1% 1	8% 12	27% 39	64% 93
3. Fannie Mae	13% 20	40% 61	36% 54	11% 17
4. HUD - Housing & Urban Development	8% 12	46% 70	36% 54	11% 16
5. IDHA - International Housing District Alliance	0% 0	2% 3	21% 28	77% 105
6. Urban League of Metropolitan Seattle	2% 3	3% 4	38% 52	57% 79
7. WSHFC - Wa. State Housing Finance Commission (Key program)	3% 4	19% 28	28% 40	50% 73

15. What steps have you take to increase your outreach efforts to clients of other cultures?

		Number of Responses	Response Ratio
Advertise in a foreign language publication.		28	17%
Joined diversity organizations (i.e. Hispanic Chamber of Commerce)		15	9%
Learned a foreign language.		12	7%
Network with culturally diverse sales associates.		35	22%
Network in diverse neighborhoods.		30	19%
Taken cultural diversity courses.		40	25%
Work with housing organizations that serve diverse populations.		16	10%
None		61	38%
Other, Please Specify		25	15%

16. If you are a minority or of a culturally diverse background — Why did you choose real estate as a profession?

45 Responses

17. If you responded to the previous question — What challenges/obstacles did you face in choosing a real estate career?

		Number of Responses	Response Ratio
Cultural issues		8	16%
Language		5	10%
Money		11	22%
Understanding legal issues		6	12%
Trust by other agents		11	22%
Trust by diverse consumers		12	24%
None		14	29%
Other, Please Specify		17	35%

18. What challenges/obstacles do you face when you work with a sales licensee of a different cultural background?

		Number of Responses	Response Ratio
Cultural issues		56	35%
Language		77	48%
Trust levels		44	28%
Understanding of ethics		60	38%
Understanding legal issues		36	23%
None		38	24%
Other, Please Specify		12	8%

19. FOR OFFICE MANAGERS ONLY: What efforts has your office made to better serve our area’s culturally diverse home buying population? (Check all that apply)

	Number of Responses	Response Ratio
Recruited culturally diverse agents to the office.	15	83%
Identified agents who speak foreign languages.	13	72%
Send agents to training on diversity issues.	6	33%
Developed company foreign language materials.	3	17%
Developed company foreign language advertising.	4	22%
Other, Please Specify	0	0%

20. What services do you need from SKCAR to better serve your diverse client group? (Check those that you believe would be most helpful).

	Number of Responses	Response Ratio
Ads promoting the use of REALTORS in local foreign language publications.	58	41%
Ads promoting the use of REALTORS using visuals of diverse members	42	29%
Address issues impacting housing in culturally diverse neighborhoods.	45	31%
Articles on diversity issues.	46	32%
Education on multicultural issues.	63	44%
Education on resources offered by housing organizations for diverse buyers.	73	51%
List of housing organizations that provide services to diverse home buyers.	73	51%
List of foreign language speaking REALTORS	50	35%
List of foreign language speaking title, affiliates (mortgage bankers, escrow, insurance agents, etc.)	66	46%
Networking opportunities with other agents and affiliates who serve diverse buyers.	29	20%
New Member orientation materials to assist agents with understanding the products and services of the REALTOR organization	25	17%
Mentoring program (more experienced agent assisting new agents)	21	15%
Real Estate materials in foreign languages.	47	33%
Website pages with information on serving a diverse home buying population.	51	36%
Other, Please Specify	16	11%

21. Any further comments and/or suggestion for SKCAR to consider on this topic?

32 Responses

22. If you would like to participate on a SKCAR workgroup related to diversity issues, please fill out the information below.

180 Responses

New Projects Show that KCRAR Speaks Its Customers' Language

Summary

Responding to rapid growth in the area's Hispanic population, the Kansas City Regional Association of Realtors® created a Hispanic Diversity and Outreach Task Force. The Association accepted the recommendations of the task force to translate 39 standardized contract forms into Spanish, launch a traveling homebuying seminar in Spanish, and educate its members in developing and improving business relationships with Hispanic clients.

Background

The Kansas City region, which includes both Kansas and Missouri, has seen the Hispanic population double over the past 10 years. The Kansas City Regional Association of REALTORS® (KCRAR) now serves a population that is 17 percent Hispanic, a percentage that is expected to continue to rise. But home sales have not risen significantly among Hispanics: less than 49.5 percent of Hispanic families in the Kansas City region own their homes, a rate below the national average for Hispanic homeownership. Hispanic families are a significantly underserved market—in fact, KCRAR estimates that they represent a potential increase in regional home sales revenue of over \$12.6 million.

What the Association Did

At the 2004 NAR annual meeting in Washington, D.C., Cristalle Bozarth, community outreach and government affairs manager for KCRAR, attended a diversity meeting and received a copy of the Diversity Toolkit. She read it on her return flight, saw how much the Hispanic population was increasing in other areas, and when she arrived home did some research on her own area, unearthing the statistics detailed above.

Bozarth assembled a task force consisting of 12 REALTORS® (a mix of Spanish and non-Spanish speakers) and representatives of community organizations, including the Kansas City Hispanic Chamber of Commerce, El Centro (the Hispanic community center), *Dos Mundos* (Kansas City's bilingual newspaper), and St. Aloysius Catholic Church (the largest Hispanic church in the region). The Hispanic Diversity and Outreach Task Force meets monthly, and has set four goals: Spanish forms, homebuying seminars, marketing, and REALTOR® education.

Spanish forms: In a June 2, 2004, *Realty Times* article titled "Speaking Spanish to Hispanics Pays Dividends," Lew Sichelman wrote, "Hispanics are more uncomfortable



than any other ethnic group in handling business transactions in English, according to a study of homebuying attitudes.” Yet none of the real estate companies in the Kansas City area provided Spanish forms to their agents. KCRAR saw that becoming the sole provider of such forms would help its members and at the same time make membership in its association more attractive. The Association decided to translate 39 standardized contract forms into Spanish, which cost approximately \$9,000.

Homebuying seminars: The Task Force noticed that homebuying classes offered in Spanish were only available in locations convenient to a small segment of potential clients. Once the forms were translated, KCRAR launched a traveling Spanish-language homebuying seminar, now held in five area community colleges (the seminar is also offered in English and American Sign Language). The seminar features a homebuying guide and directory of Spanish-speaking title agents, inspectors, and other important contacts in the homebuying process. California’s Southland Regional Association of REALTORS® has given KCRAR permission to use its Spanish handbook as a template.

Marketing and REALTOR® education: KCRAR set aside funds to publicize these new programs to REALTORS® and to the community at large, in the hope of attracting both new homebuying clients and new KCRAR members. It will provide a new benefit, educating REALTORS® about how to develop and improve business relationships with Hispanic clients.

In all, these efforts took roughly half of Bozarth’s time and a budget of about \$7,000 from the Association in 2004.

Outcomes

Standardized forms were translated in early 2005, and Bozarth reports that REALTORS® were excited to have them. It now translates 11 of its most important forms and provides them in bilingual (English and Spanish) versions. “I’ve presented this to different groups of REALTORS®,” she says. “They weren’t aware of how much this population is growing, so it’s been a real eye-opener for our members to learn about this expanding market.”

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Gaining Visibility in New Communities: Dues Assistance and Networking

Summary

In an effort to achieve a more multicultural membership and offer greater opportunities to new members, the Minneapolis Area Association of REALTORS® in 1988 established the Minority Dues Assistance Program and the Multicultural Network of Real Estate Professionals. The number of Dues Assistance recipients rose from five in 1988 to 62 in 2002. The thriving program draws 40 to 50 members to its monthly meetings for networking opportunities and guest speakers, and greatly enhances the Association's visibility in communities of color.

Background

Minneapolis became vastly more ethnically and racially diverse in the 1980s. The city's minority population increased by nearly 32,300 during that decade and was 21.6 percent of the total in 1990. The trend continued through the 1990s, and by 2000, the demographic breakdown was 65.1 percent white, 18 percent African American, 6.2 percent Asian/Pacific Islander, 2.2 percent American Indian, 4.4 percent two or more races, and 4.1 percent "other" race. Additionally, 7.6 percent of residents identified themselves as Hispanic. A multicultural population meant a new crop of homebuyers. According to Mark Allen, CEO of the Minneapolis Area Association of REALTORS® (MAAR), 40–60 percent of the residents within African American, Asian, Hispanic, and American Indian communities own homes.

Eventually the goals of MAAR's multicultural programs would expand to include educating potential minority homebuyers. In the 1980s, however, the Association's goals were to establish programs to recognize minority brokers and help them get started, through continuing education and networking opportunities.

What the Association Did

The chair of the Association's Equal Opportunity Committee in 1987 was Jean Leake, an African American broker and business-owner. She and several other committee members came up with the Minority Dues Assistance Program and the Multicultural Network of Real Estate Professionals (MNRP). After six months of planning—committee meetings, staff input on how best to imple-



MINNEAPOLIS AREA Association
of REALTORS®

ment the programs, and a review of the programs by legal counsel—the MAAR Board of Directors approved both programs.

Available to African American, Hispanic, Asian, Pacific Islander, American Indian, and Alaskan Native applicants, the Minority Dues Assistance Program covers the first-year annual membership fee (\$99). The program also covers the cost of up to 15 hours of MAAR

“People want the option of working with people who look like themselves. What our community in Minneapolis realizes is that we need foot soldiers out there meeting people at the ground level. We have to serve the community, and we can make a difference, educating people about home ownership, which creates wealth in the family.”

— Cassandra Gooden
MNRP Planning Committee Chair

onsite continuing-education credits during the first year of membership (\$85; members must take 30 hours of continuing education every two years). Minority Dues Assistance recipients pay the \$84 annual membership fee to the NATIONAL ASSOCIATION OF REALTORS® and the \$130 annual membership fee to MAAR, as well as a \$50 new-member application to MAAR. Recipients are also required to attend an orientation program and at least one meeting of MNRP. In 2004, MAAR increased the number of dues assistance grants from 75 to 100 per year.

MNRP consists of REALTORS®, mortgage bankers and brokers, appraisers, loan officers, inspectors, closers, and other real estate professionals. They meet regularly at MAAR’s offices to enhance their marketing skills, discuss a broad range of issues and programs of particular interest to multicultural members, and develop a strong multicultural support system. They also participate in community activities, such as local housing fairs. All real estate professionals, regardless of ethnicity, are welcome at the free-of-charge meetings, which feature at least one guest speaker. Recent speakers have included the administrator of the Minneapolis Public Housing Authority’s homeownership programs, a mortgage lender, a housing inspector, a chamber of commerce representative, an information-technology professional, and a financial planner.

Bill Gerst, MAAR’s vice president of public affairs, estimates that the Association has spent \$183,500 on the Minority Dues Assistance Program and MNRP since 1988. The staff spends about three hours processing each Dues Assistance application, which includes determining approval, getting notice to the member, applying education credits, and billing. In 2004, MAAR hired an additional staff member to provide administrative support to MNRP and the Minority Dues Assistance Program.

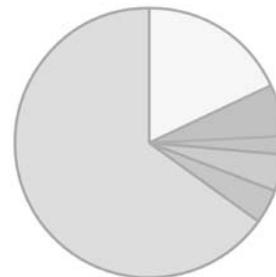
International Program: In 2004, MAAR launched its International Program, consisting of three components:

- An International Council that hosts events, informational programs, and networking opportunities with others interested in international business opportunities
- A relationship through NAR’s Ambassadorship Program with Thailand, to mentor that country’s development of an organized real estate market
- International Resource Services, providing MAAR members with multilingual booklets, classes, and tools.

Outcomes

Since the inception of the Minority Dues Assistance Program in 1988, a total of 434 MAAR applicants have received scholarships. “Without question, there are significantly more minority members than in the past,” says Mark Allen. Members of color have chaired committees and served on the Executive Committee and Board of Directors. Today MNRP is a vibrant community presence, participating in:

- A KMOJ-FM (Twin Cities community radio) Public Policy Forum discussing homeownership and wealth creation
- A task force for the Urban Coalition’s 50/30 Home Ownership Initiative, which seeks to increase homeownership among 30-year-old employed heads of households in communities of color to 50 percent by 2010
- The 19th annual Juneteenth celebration, commemorating African American freedom and emphasizing education and achievement
- The Gathering, a two-day expo in support of women of color, which attracted 40,000 people in 2001
- Housing fairs, one at the invitation of former St. Paul mayor Randy Kelly, intended to educate people, especially from ethnic minority groups, about home ownership
- The Emerging Markets Homeownership Initiative (EMHI), charged by Governor Tim Pawlenty to increase the homeownership rate of emerging market populations in the state of Minnesota.



White 65.1
African American 18
Asian/Pacific Islander 6.2
**American Indian/
 Alaskan Native 2.2**
Mixed 4.4
Other 4.1
 Additionally, 7.6 percent
 identified themselves
 as Hispanic.

"People want the option of working with people who look like themselves," says Cassandra Gooden, MNRP Planning Committee Chair. "What our community in Minneapolis realizes is that we need foot soldiers out there meeting people at the ground level. We have to serve the community, and we can make a difference, educating people about home ownership, which creates wealth in the family." Plus, she points out, MNRP's community outreach has boosted members' business.

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Widening the Network: “Ambassadors” Promote Diversity in Leadership

Summary

The Southland Regional Association of REALTORS®, which serves an area with nearly 2 million residents, implemented the Ambassadors Program to better represent the region’s widely diverse homebuyers in the Association’s leadership positions. The Association began by encouraging Hispanic and Latino REALTORS® to join committees, where they were mentored by, and eventually became, “ambassadors” charged with recruiting additional REALTORS® with a similar cultural background. The Association has now expanded the program to focus on bringing Korean American REALTORS® into leadership positions as well.

Background

Based in California’s San Fernando and Santa Clarita valleys, the Southland Regional Association of REALTORS® (SRAR) serves one of the most diverse communities in the nation. The area falls within Los Angeles County (including the cities of Los Angeles, Santa Clarita, Calabasas, and San Fernando), which has a population of nearly 2 million. In Los Angeles County, about 44 percent of residents are Hispanic or Latino, 12.3 percent are Asian American, and 10 percent are African American. Brian Paul, SRAR’s Vice President of Member and Community Relations, notes that while the United Nations recognizes 45 languages within its official organization, the Los Angeles unified public school district recognizes 90. “We’re Diversity Central,” he says.

SRAR has done much to foster homeownership within its multicultural communities. With a membership of approximately 9,000, the Association has collaborated with *The Los Angeles Times* on HomeWords, a classroom project that introduces students to credit, homebuying, equity, and rent-versus-buy decisions. The Association also created the first bilingual English-Spanish resource guide for REALTORS® to use with their clients. *The Home Buying Made Easy Guide* is widely available for free. And SRAR’s Multicultural Mixer, which features food and entertainment from around the world, has brought together hundreds of REALTORS® and the public for more than a decade.

Until recently, however, non-minority members held most leadership and committee positions within SRAR. Convinced that the Association’s continued vitality required



action, SRAR looked for ways to move REALTORS® from minority groups into positions of leadership.

What the Association Did

SRAR looked first at ways in which members historically had secured committee and leadership positions. The Association determined that many committee members had been encouraged by someone they knew who was already in a leadership position on that committee. Assuming that this pattern exists in a variety of cultures, SRAR's Equal Opportunity and Cultural Diversity Committee created the Ambassador Program subcommittee in 2001, with Sally Collom as program chair.

The Ambassador Program provided opportunities for members from communities that lacked contacts within the leadership at SRAR. Paul notes, "We modified how we did business in order to ensure we brought in minority groups."

Collom and her subcommittee wanted to establish a baseline from which to evaluate the program's effectiveness. Because the California Association of REALTORS® has a policy not to identify membership by race or ethnicity, the subcommittee requested diversity information from SRAR's committees, and most complied.

The Ambassadors Program subcommittee decided to concentrate on one racial or ethnic minority at a time. They reasoned that once some members of that minority group attained leadership positions, others would have an easier time doing so. The subcommittee began with Hispanic and Latino members, whom they felt were the single most underrepresented ethnic group in SRAR's leadership.

Using member rosters and the expertise of former SRAR director Gilberto Cortes, SRAR identified real estate offices that were likely to include Latino or Hispanic Realtors® and asked to send "ambassadors" out to visit. SRAR ambassadors then served as mentors to Hispanic or Latino REALTORS® who expressed



an interest in joining a committee. The SRAR subcommittee also considered instituting, if needed, a diversity bonus procedure that authorizes the Board of Directors to add REALTORS® to a committee that has already reached capacity so long as these REALTORS® belong to an underrepresented minority.

Outcomes

The Ambassador Program has brought about more diversity in the Housing Committee, the Grievance Committee, and, of course, the Equal Opportunity and Cultural Diversity Committee. The SRAR Board of Directors has added three minority members since 2000,

and an Asian American REALTOR® who recently joined the California Association of REALTORS® Board of Directors previously chaired a committee at SRAR. Building on the success of the Ambassador Program, Paul worked with SRAR President Winnie Davis to create a program to initiate a path to leadership for minority committee members. In 2006 it received a Diversity Initiative Grant from the NATIONAL ASSOCIATION OF REALTORS® to support a diversity leadership program featuring an eight-month curriculum that will help prepare REALTORS® to become strong leaders in the community and within the association structure. This year 20 aspiring leaders took part in the class.

With the mentoring process underway for Hispanic and Latino REALTORS®, the Ambassador Program has expanded to focus on Korean American members of SRAR. The committees that were the most diverse before the launch of the Ambassador Program have shown the greatest gains in diversity. Diversity has been slower to achieve in committees where there were fewer minority members to begin with.

Nevertheless, Brian Paul is optimistic. "We changed our own culture within our Association," he says, and the implications are beginning to show. Recent homeowner insurance problems faced by Californians were most apparent in minority communities, and members of these communities brought the matter to the Association's attention. "Our ability to identify and react to this problem so quickly was a direct result of the diversity that we have in our committee membership."

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Opening *Puertas*¹ with Real Estate Spanish

Summary

To do business more successfully in its large Hispanic and Latino community, the Northern Virginia Association of REALTORS® developed a conversational Spanish course focusing on the specific needs of the real estate industry.

Background

More than 13,000 members of the Northern Virginia Association of REALTORS® (NVAR) serve a community of about 2 million residents of Fairfax and Arlington Counties, adjacent to Washington, D.C. In both counties, nearly one-third of the population speaks a language other than English at home. According to the 2000 census, 11 percent of Fairfax County residents and 18.6 percent of Arlington County residents are of Hispanic or Latino origin.

In 2002, Arlington County officials approached Pat Jablonski, then chairman of NVAR's Board of Directors, and voiced concerns that Hispanic and Latino residents were being scammed by people falsely claiming to be real estate brokers, but whose only true qualification was their ability to speak Spanish. Moreover, through no fault of their own, REALTORS® had acquired a negative image among many immigrant groups. "A lot of folks in this country, because of where they had lived before, really didn't trust governmental authority, or anybody who purported to be in charge," Jablonski said. "We realized that as real estate professionals we were lumped into that group."

What the Association Did

Members of NVAR's Equal Opportunity/Cultural Diversity Committee were already helping Northern Virginia residents in their search for affordable housing. Joining forces with the Housing Opportunities Alliance, the Committee studied the changing demographics of prospective homebuyers in Northern Virginia and found that 60 per cent spoke English as a second language. They recommended a Spanish class for real estate professionals, and NVAR quickly agreed.



Language courses. Ann Brady, NVAR's full-time manager for programs and awards, began to develop a beginner's Spanish course that focused on spoken language and was specific to real estate. It took Brady about 30 hours over the next three months to design classes to teach REALTORS® enough Spanish to get through a cold call and the basics of showing a house, including units of currency and setting appointment times.

Brady then enlisted the help of bilingual REALTOR® Luis Lama, a native of Peru. Both REALTORS® had experience as instructors in English as a second language (ESL), so they already knew the basics of classroom teaching. Lama volunteered his time during project development, when he designed a course outline, handouts, and quizzes.

Brady and Lama taught the first session as a team to see how well their design worked and they made a few modifications for the second session. Lama was paid only for his work as an instructor—he volunteered the development time. NVAR kept costs low by advertising the course to members through its standard publicity channels: e-mails, faxes, Web site, and newsletter.

Classes meet at NVAR headquarters for 90 minutes once a week for six weeks. Courses are limited to NVAR members and carry no Continuing Education credit. The fee is under \$50 and includes a Spanish-English dictionary that focuses on real estate terms. Class size is normally limited to 18 to promote a conversational environment.

An early lesson in the course is to assume that a potential client speaks English and introduce oneself accordingly. If the client hesitates and the agent suspects that Spanish would be preferred, the agent switches to Spanish, however limited his or her command of the language may be. *¿Habla usted Español?* (“Do you speak Spanish?”)

Brady explains: “If you speak only a few phrases...like *Buenos días* (“Good day”) and *¿Como está usted?* (“How are you?”)...people love it—at least you tried. It helps to break the barrier.”

Students concentrate on the most likely encounters in which Spanish would be helpful. For example, at an open house the first words to break the ice might be, *Hablo muy poquito Español, pero me gustaría ayudarle* (“I speak very little Spanish, but I would like to help you.”) Other common encounters are welcoming a new visitor to the office and handling phone calls in which the person on the other end speaks no English.

The course also emphasizes the importance of maintaining a list of highly qualified Spanish-speaking mortgage lenders. Students are encouraged to get a flavor of the language, hear themselves speaking the words, and become comfortable interacting in another language.

Although the course focuses on conversation, instructors find that cultural issues also arise. For example, Lama noted that in some Hispanic and Latino cultures it is thought inconsiderate to show up exactly on time, since the host might not be quite prepared. He encourages REALTORS® to keep this in mind when they make appointments and either stress the need for punctuality or anticipate delay. Members are also encouraged to take NAR’s At Home with Diversity® course.

Multicultural luncheons. The Equal Opportunity/Cultural Diversity Committee also initiated a series of luncheons that focused on geographic regions and cultures with a large representation in the Washington, D.C., area. These free luncheons offer an

opportunity for REALTORS® to increase their cultural awareness and to increase their involvement with NVAR activities.

The first luncheon, which took place in March, 2004, coincided with the Iranian New Year and featured traditional dishes provided by an Iranian-owned title company that sponsored the event and participated in discussions. Subsequent luncheons in 2004 focused on the cultures of Asia and Central and South America.

Outcomes

Brady feels that REALTORS® who take the Spanish course are becoming more aware of the need to be bilingual, understand key terms, and make an effort to serve all parts of the homebuying public. There is a general sense at NVAR that REALTORS® lose business if they do not at least try more bilingual communication. Brady was surprised to discover that many NVAR students in the course already had a working knowledge of Spanish but were afraid to use it.

The course proved immensely popular and now has a waiting list. In addition, NVAR has designed an intermediate course for those wishing to continue improving their Spanish language skills. The intermediate course will cover marketing, inspections, appraisals, and other necessary service steps to buying a home.

The multicultural luncheons have been well attended and have resulted in an increased participation at the committee and board levels of NVAR leadership. Past programs planned have included South Asian, Eastern European, African, and Pacific Rim/East Asian themes.

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Conference Collaboration Fosters Cooperation with Hispanic Community

Summary

The newly formed MetroTex Association of REALTORS® worked with local chapters of the National Association of Hispanic Real Estate Professionals to present two statewide conventions for Hispanic real estate professionals. The conventions attracted national attention and helped to establish continuing links between the Dallas area REALTOR® groups and area NAHREP affiliates.

13,000
MEMBERS

Background

The MetroTex Association of REALTORS® (MetroTex), which is located in the Dallas-Fort Worth metropolitan area, learned that about one-quarter of Hispanic wage earners in the area were saving money to purchase a home. The median income of these wage earners was \$40,000. The Association knew that there was housing in the Dallas-Fort Worth area for which they could qualify, and decided to reach out to this community.

What the Association Did

Marty Martinez, a member of the MetroTex Board of Directors, is also active in the Dallas-Fort Worth chapter of the National Association of Hispanic Real Estate Professionals (NAHREP). When the NAHREP chapter expressed a need for educational programming, Martinez suggested a collaboration between MetroTex and the chapter to organize the event. Realizing that there were only five NAHREP chapters in Texas, the decision was made to invite all the chapters—and suddenly the event organizers were holding a statewide NAHREP convention.

A convention task force was set up with representatives from the local NAHREP chapters and the MetroTex Association of REALTORS® to plan programming for the event. Topics included problems Hispanic real estate agents were having in the field and how to best address those problems. “The representatives from these organizations knew their membership and were key in identifying programming needs,” says Claire Shahzad, director of REALTOR® services for MetroTex.

A joint bank account was set up, with the NAHREP groups in charge of the money and MetroTex responsible for maintaining financial records. “We didn’t want to take an assertive role, so we did a lot of the administrative and event-planning work,” says



Shahzad. Through their contacts, MetroTex was able to help the NAHREP groups establish a record of business with caterers and the convention center.

Funding for the convention came from fundraising done by the NAHREP chapters. MetroTex helped with obtaining support and funding from the NATIONAL ASSOCIATION OF REALTORS® and the Texas Association of REALTORS®. In total, they raised over \$65,000 in sponsorships and contributions.

Outcomes

On January 21-23, 2004, the first state NAHREP convention took place. Attendance was higher than anticipated, with over 350 attendees, including the national president of NAHREP, a NAHREP co-founder, and the leadership team of the Texas Association of REALTORS®. There was a scheduled session for the NAHREP leaders to meet with the leaders from the state and local REALTOR® associations, during which they were able to get to know one another and discuss ways to improve cooperation between their organizations to meet the needs of the Hispanic community.

A NAHREP certification course was presented as part of the function and around 80 people were in attendance. MetroTex was able to have the course approved for mandatory continuing education credit, the first time the course had been offered under the state's continuing education requirements.

A second statewide NAHREP convention was held in January 2005 in San Antonio. "We knew we had to keep this thing going," says Shahzad. "We put them in touch with the San Antonio REALTOR® groups, and we passed along our notes and information about logistics and how we did it." Other avenues of cooperation have been opened as a result of the convention. Shahzad notes, "This event clearly demonstrated the strength of working together."

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Strategic Relations: Network Builders Form New Alliances

Summary

Changing demographics are helping to reshape the landscape of power in Houston. To remain influential, the Houston Association of REALTORS® established a network of relationships in social, economic, and environmental arenas, many of which involve individuals relatively new to leadership in the city. Today, the Association has partnerships with more than 50 organizations whose decisions affect the real estate industry.

Background

Even before the 2000 Census, the Houston Association of REALTORS® (HAR) recognized changes in Houston: an African American mayor and city council members who were African American, Asian, and Hispanic. The Census merely confirmed that, for the first time, Anglos were no longer the majority group in the city. In the Houston metropolitan area, the African American population grew by 19.8 percent from 1990, the Asian population grew by 75 percent, and the Hispanic population grew by 76.5 percent. "The power structures were changing," says Oscar Gonzales, HAR's former chief strategic relations officer. "It wasn't a good ol' boys network like it used to be."



What the Association Did

In February of 1999, Gonzales, then HAR's executive vice president, joined forces with Robert Hale, the president and CEO of HAR, and consultant Jeremy Conaway of RECON Intelligence Services. Together, they approached HAR's Board of Directors with a proposal: In order to maintain influence in Houston's changing environment, HAR should create a Strategic Relations Unit to build relationships with the city's new movers and shakers. "The first question they asked," says Gonzales, "was, 'Isn't that what Governmental Affairs does?' And the answer is no, they deal with legislative and political issues. We needed to touch the social, economic, and environmental sides of things." The Board agreed, and in September 2001 the new Unit was launched, with an annual budget of \$25,000 and Gonzales' full-time attention.

The Unit began by identifying and setting up initial meetings with environmental groups, government agencies, community organizations, companies, and universities. Many of these introductions came through HAR's volunteer leadership. "When we asked our Board of Directors to help us make contact," Gonzales said, "a lot of directors came forward and said, 'Hey, I'm very involved with, say, Rice University, or the

American Red Cross, or the Fair Housing Council, or the City of Houston.’ It’s important to look to your membership and your leadership, because many times they’re involved in things you may not be aware of, and have the kind of influence that can bring the appropriate parties together.” Of the 50 or so partnerships HAR eventually formed, at least 15 arose from these initial introductions.

After an initial meeting, HAR entered each organization into a “power analysis” spreadsheet, along with a notation describing the group or individual members:

A = direct power

B = indirect power

1 = economic resources

2 = noneconomic resources

HAR began by setting its sights on emerging market groups, but it didn’t stop there. Because they are a great resource for demographic information, universities were also targets, as was the Greater Houston Partnership, Houston’s chamber of commerce. Major companies, oil companies in particular, were targets because of their power to move large numbers of employees into or out of Houston. The U.S. Environmental Protection Agency and local environmental groups were targets because their decisions affected homebuilding and business development. “It’s all about building relational equity and not just focusing on the bottom line and the economic equity,” says Gonzales.

Some potential partners were located outside Houston. “When it comes to Fannie Mae or Freddie Mac,” says Gonzales, “the local offices may not have the power to make decisions, to partner, or to undertake a project, so in those cases you have to go straight to the top. We did that with HUD, Wells Fargo, United Guarantee, Citigroup, and the various emerging market associations, like the National Association of Hispanic Real Estate Professionals and the Asian Real Estate Association of America—groups that aren’t logistically here but make decisions that affect Houston.”

Outcomes

HAR’s Board of Directors gave the Strategic Relations Unit two years to identify promising groups and build the necessary relationships; the process was completed in only six months. Today, HAR has relationships with more than 50 groups with power or influence not only in Houston but nationally as well, in three main arenas:

- **Social:** groups such as the National Association of Hispanic Real Estate Professionals, Real Estate Association Latinos, Houston Real Estate Association (REALTISTS), Chinese-American Real Estate Association (CAREA), Housing Opportunities of Houston Inc., Asian American Real Estate Association, the American Red Cross, and the Federal Emergency Management Agency (FEMA).

■ Economic: groups such as Rice University, Fannie Mae, Freddie Mac, Conoco-Phillips, The Tomàs Rivera Policy Institute, the U.S. Department of Housing and Urban Development, the Houston Community College System, the Greater Houston Partnership, and the Clear Lake Area Economic Development Foundation.



■ Environmental: groups such as the Greater Houston Partnership and the U.S. Environmental Protection Agency.

Gonzales credits HAR's success in part to the fact that he was able to devote his entire attention to the project. "Other associations have started these units, but they place the unit in the governmental affairs department out of logistical necessity," he says. "The government affairs unit is like the Defense Department, poised for war, and the strategic relations unit is like the State Department, trying to negotiate before it reaches the point of war."

Even if an association cannot dedicate all of a staff member's time to strategic relations, Gonzales believes, the person in charge must have the authority to carry out the organization's commitments. "If I say we'll provide people to man a booth and do a home buying seminar," says Gonzales, "I make darn sure that we do it—we make absolutely certain that HAR has a presence." The Strategic Relations Unit forges lasting relationships by showing that a partnership with HAR can be relied upon for tangible benefits.

For example, Gonzales says, "When the Houston Real Estate Association needed help raising money for a home buying seminar; we put our marketing team on the phone for them and helped them raise \$12,000. It only took us a few man-hours to do that, and it didn't cost us anything, but we were able to forge a strong relationship with that organization."

When Conoco/Phillips merged, the newly formed company wanted to relocate many of its employees to Houston and formed a five-member team to handle the transition. HAR was able to get one of its members appointed to that panel because Conoco/Phillips knew that that person could provide valuable information on local real estate dynamics. Through a partnership with the Houston Community College System, HAR has created an internship program in which brokers working with Houston's emerging markets will be able to train and hire agents representing those segments of the popu-

lation. The national Fannie Mae office recently used 75 of HAR's members to pilot-test a new finance program, focused on emerging markets homebuyers and involving both REALTORS® and lenders.

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Diversity Pledge Formalizes a Commitment

Summary

In response to rapid growth within Colorado's immigrant communities, the Colorado Association of REALTORS® crafted a pledge formalizing its commitment to diversity. That document has been adopted by the Association's Board and is currently being reviewed and adopted by local associations.

26,500
MEMBERS

Background

Colorado and particularly the Denver metropolitan area have experienced tremendous increases in Hispanic and Asian populations over the past decade. The Asian population has grown by 59 percent and the Hispanic population by 73 percent. Among the state's foreign-born residents, 43 percent are from Mexico, a much higher proportion than among foreign-born residents in the United States overall (28 percent).

What the Association Did

The Equal Opportunity Cultural Diversity Committee of the Colorado Association of REALTORS® (CAR) decided in February 2002 to craft a diversity pledge for CAR to adopt and sign, identifying its goals for the promotion of diversity and the steps it planned to take to achieve those goals. That document would then be made available to local boards and associations, large brokers, and individual agents, who would all be encouraged but not required to adopt it.

The pledge was written by a five-member workgroup appointed by the committee. Preparation of a first draft required five meetings, each lasting about two hours. The draft was based partly on the *Pledge to Racial and Ethnic Diversity* of the Colorado Bar Association. CAR's legal counsel made some changes, and then the draft went out for comment by all 39 local associations and 165 members of CAR's Board of Directors.

To the surprise of the workgroup, some Board members objected to the idea of having a pledge at all. The workgroup responded by explaining its motivations and exploring possibilities for compromise. "The important thing is not to panic," says Kay Watson, former president of CAR, "... to be flexible—to be willing to change wording as long as it doesn't change the essential meaning." In all, the staff of CAR spent about 25 hours editing the pledge, addressing every concern that was expressed.



Outcomes

CAR's Board of Directors adopted the *Colorado Real Estate Community Pledge to Racial and Ethnic Diversity* in October 2002, and revised the pledge in February 2003. By the end of 2004, 19 of the state's 39 local associations had adopted it as well.

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Colorado Real Estate Community Pledge to Racial and Ethnic Diversity

Adopted October 24, 2002
Amended February 14, 2003

Preamble

Our purpose here is to set forth clear, realistic and attainable goals for the enhancement of racial and ethnic diversity in real estate brokerages, and the state and local REALTOR® Associations.

We, the Colorado Association of REALTORS® and each signatory hereto ("The Real Estate Community"), have agreed to join together enthusiastically moving forward toward achieving the level of diversity that is crucial to the future of our profession.

We take great pride in our profession. Ours is a profession that represents the rights of all people in the pursuit of real estate ownership. We, as real estate brokers should understand the meaning of the words "Equal Opportunity". We are acutely aware that in Colorado equal opportunity in our field must be realized. More real estate brokers of color and diverse ethnic origins need to be recruited, hired, trained and invited to join the ranks of real estate brokerages and associations within Colorado.

We believe that the Colorado real estate community has chosen to make a difference. The real estate community must continue to make a positive and determined effort in the 21st century. We are committed to continuing to recruit, hire, train and invite all potential brokers including those of color and diverse ethnic origin.

We are but a microcosm of the greater society within which we live. However, we propose to lead rather than follow, move forward rather than stand still. Although the specific goals set forth in this Pledge are directed toward attaining racial and ethnic diversity in the Colorado real estate community, each signatory believes that diversity, in its many facets, including without limitation, racial, ethnic, gender, religious, differently abled, and any other protected classes enriches us all.

Pledge to Racial and Ethnic Diversity In the Colorado Real Estate Community

The COLORADO ASSOCIATION OF REALTORS® and Each SIGNATORY Pledges:

- I. To pursue full and equal participation of all real estate professionals of color and diverse ethnic origins at all professional levels in the real estate community.
 - (1) The entire real estate community shall join together to continue to recruit parties of diverse ethnic origins.
 - (2) This community shall continue to promote equal access and opportunity for training, mentoring, guidance, evaluation, and opportunities to grow and succeed.
 - (3) This community shall continue to provide all parties including those of color and diverse ethnic origin equal opportunity to participate fully in administrative, professional, social, and marketing activities.
 - (4) This community shall continue to encourage its members including those of color and diverse ethnic origin to fully participate in leadership roles.
 - (5) This community shall continue to promote and foster racial and ethnic diversity at all levels.
 - (6) This community hereby reconfirms its strong policy against discrimination at any level.

- II. To increase the participation of all people, including those of color and diverse ethnic origin, the signatories shall encourage and endorse the following steps:
 - (1) The establishment of viable efforts by signatories to initiate, evaluate, and improve recruitment programs for all interested applicants including those of color and diverse ethnic origin.
 - (2) Promote the development of various methods to encourage applicants of color and diverse ethnic origins including methods to:
 - (i) Identify and encourage membership among students of color and diverse ethnic origin through real estate schools.
 - (ii) Identify and encourage membership among real estate professionals of color and diverse ethnic origin belonging to other industry related organizations and trade associations within the real estate community.
 - (3) Increase the participation, including the participation of people of color and diverse ethnic origins on committees that are responsible for the recruitment, education, evaluation, training, and advancement of all members of the real estate community.

- (4) Encourage the education of all real estate students including those of color and diverse ethnic origins in the Colorado Association of REALTORS® and local associations educational programs.
- (5) Increase the communication and commitment of achieving the objectives stated herein within its community.

III. The following steps shall be taken by the Real Estate Community:

- (1) Each signatory shall not tolerate, within its segment of the Real Estate Community any display of bigotry, racism, or discrimination within its community.
- (2) Encourage new REALTOR® association applicants to learn our profession's fair housing practices and procedures as stated in the REALTOR® Code of Ethics.
- (3) Promote the availability of opportunities to all of its members to develop skills and acquire experience for success and achievement.
- (4) Promote the establishment of a work environment that is hospitable and congenial to all its members.
- (5) Continue to follow policies that prohibit sponsored functions in places that are known to discriminate in any manner.

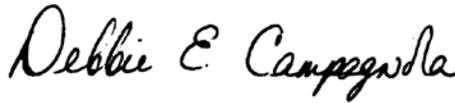
Signatory

The undersigned Signatory has signed this Pledge to Diversity this 24th day of October, 2002, to evidence their commitment to its goals and to the steps to meet those goals that are set forth herein.

Colorado Association of REALTORS®



President



Chief Executive Officer

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

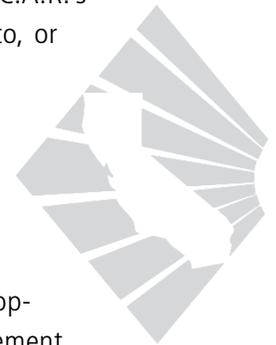
Background

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.

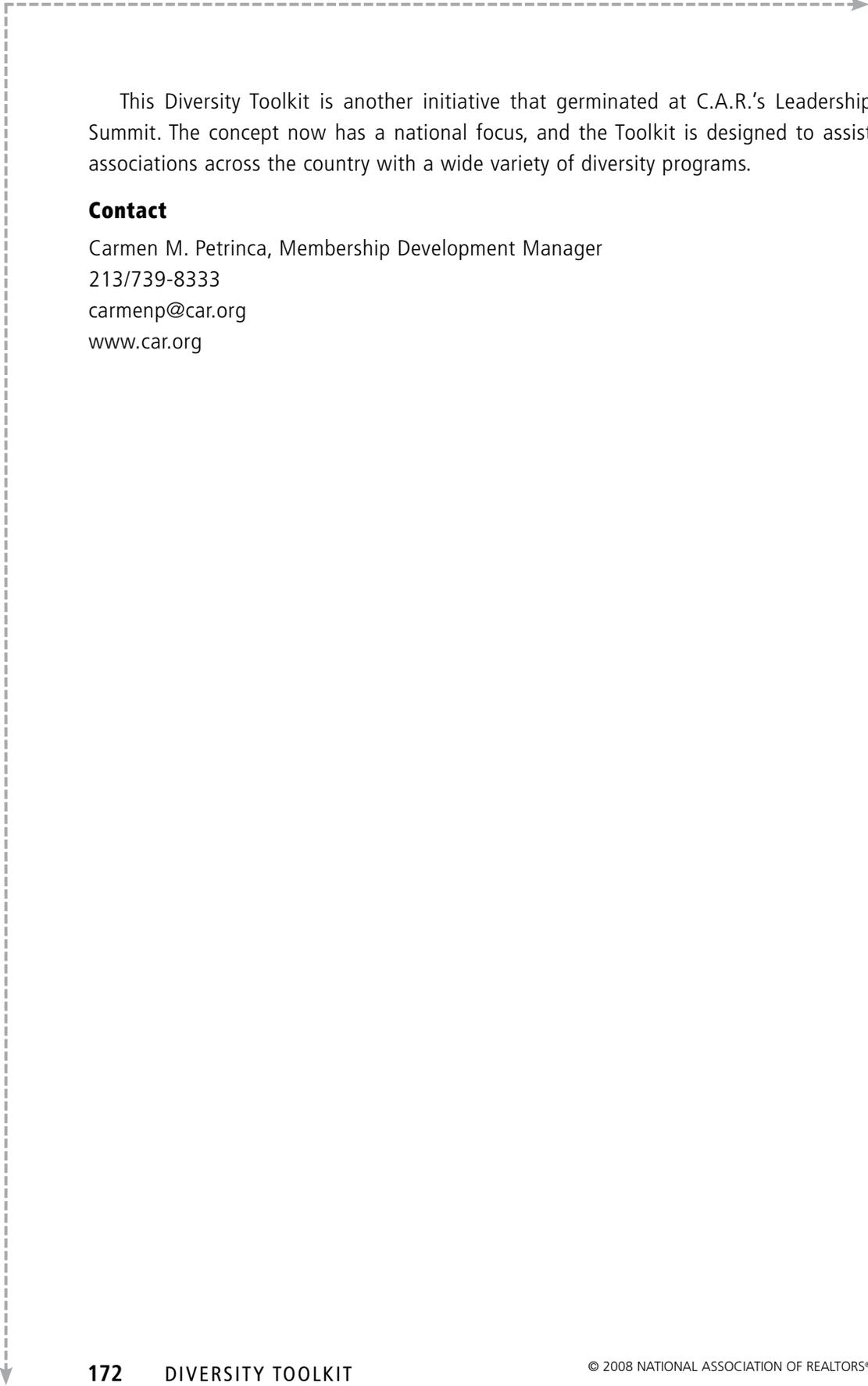
Toby Bradley notes: "C.A.R.'s commitment to the Korean 'Dream to Reality' Initiative underscores our conviction that expanding homeownership makes a real and lasting difference for California's families. We look forward to helping more families through the homebuying process of finding a house, obtaining 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.

Contact

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REALTOR® Research into Diversity Issues

Research studies to facilitate diversity.

The NATIONAL ASSOCIATION OF REALTORS® (NAR) and several state associations have conducted research studies to assist in understanding the needs of minority members and the issues they face. One of the first uses of this research was to create a comprehensive diversity program in 1997, with the following goals:

- Increasing minority member involvement with the association
- Increasing the number of minority leaders within the association
- Assisting and encouraging local and state associations in diversity efforts.

Research continues to guide changes and improvements in NAR's diversity program.

About the Studies

Eight of these studies involved focus groups with minority members or nonmember licensees in a total of 13 cities across the nation. Several studies also included interviews with members, brokers or association leaders. The focus group conversations with Asian American, African American, and Latino real estate professionals looked at issues impacting their affinity for and participation in the Association. Other studies, both focus groups and surveys, examined attitudes among association leaders and real estate brokers towards increasing minority recruitment into the profession and increasing minority participation in the Association.

These studies consistently point to several challenges facing NAR regarding minority member participation:

- Minority members have an incomplete knowledge of the value and benefits of Association membership and involvement.
- Minority members do not always feel welcomed, appreciated, and valued at the Association.
- There is limited visibility of successful minority members and leaders.

Several of these studies also examined the types of programming minority members and association leaders would find valuable. NAR, state, and local associations have used the findings—and resulting recommendations—to implement successful initiatives.

Among the recommendations that grew out of the research were:

- Provide association seminars closer to minority office locations
- Develop educational materials to improve cross-cultural business skills
- Increase networking opportunities for minority members
- Increase representation of minorities in association media and publications.

Summaries of the 11 studies follow, in chronological order. State and local associations may contact NAR to request detailed excerpts.

Research Summaries

NATIONAL ASSOCIATION OF REALTORS® Ethnic Minorities in Real Estate Study, Sharon Chamberlain & Liz King, Matousek & Associates Research Associates, 1989, Commissioned by the NATIONAL ASSOCIATION OF REALTORS®

The study conducted by Matousek & Associates was focused on African Americans, Latinos, and Asian Americans in four cities: Los Angeles, Miami, Boston, and Dallas. The objectives of the study were to discover how to:

- Encourage minorities to choose real estate as a career
- Encourage active participation and membership in the association
- Serve the professional needs of minorities in the real estate business
- Break down barriers among ethnic groups in the real estate industry.

The research data was gathered by a series of racially and culturally specific focus groups. In addition, a series of one-on-one interviews were conducted with broker-owners and managers of real estate firms who had a racially balanced staff of associates.

The study authors developed 12 recommendations based on the findings of the study. A number of recommendations continue to be relevant today, including:

- Improve the visibility and promote the professional image of minorities in the real estate profession and the association
- Increase the awareness among white members of the issues minority members face in their daily business and encourage awareness and appreciation of cultural differences
- Cooperate with minority real estate associations such as the National Association of Real Estate Brokers and emerging local associations of Latino and Asian real estate agents
- Address issues impacting real estate in minority communities.

Research Study Among California Latino REALTORS®, Erlich Transcultural Consultants, 1995, Commissioned by Vera De Vera for the California Association of REALTORS®

This qualitative research study was initiated to ascertain the opinions and attitudes of Latino real estate professionals about organized real estate. Specifically, the research was designed to assist the California Association of Realtors® to achieve the following objectives:

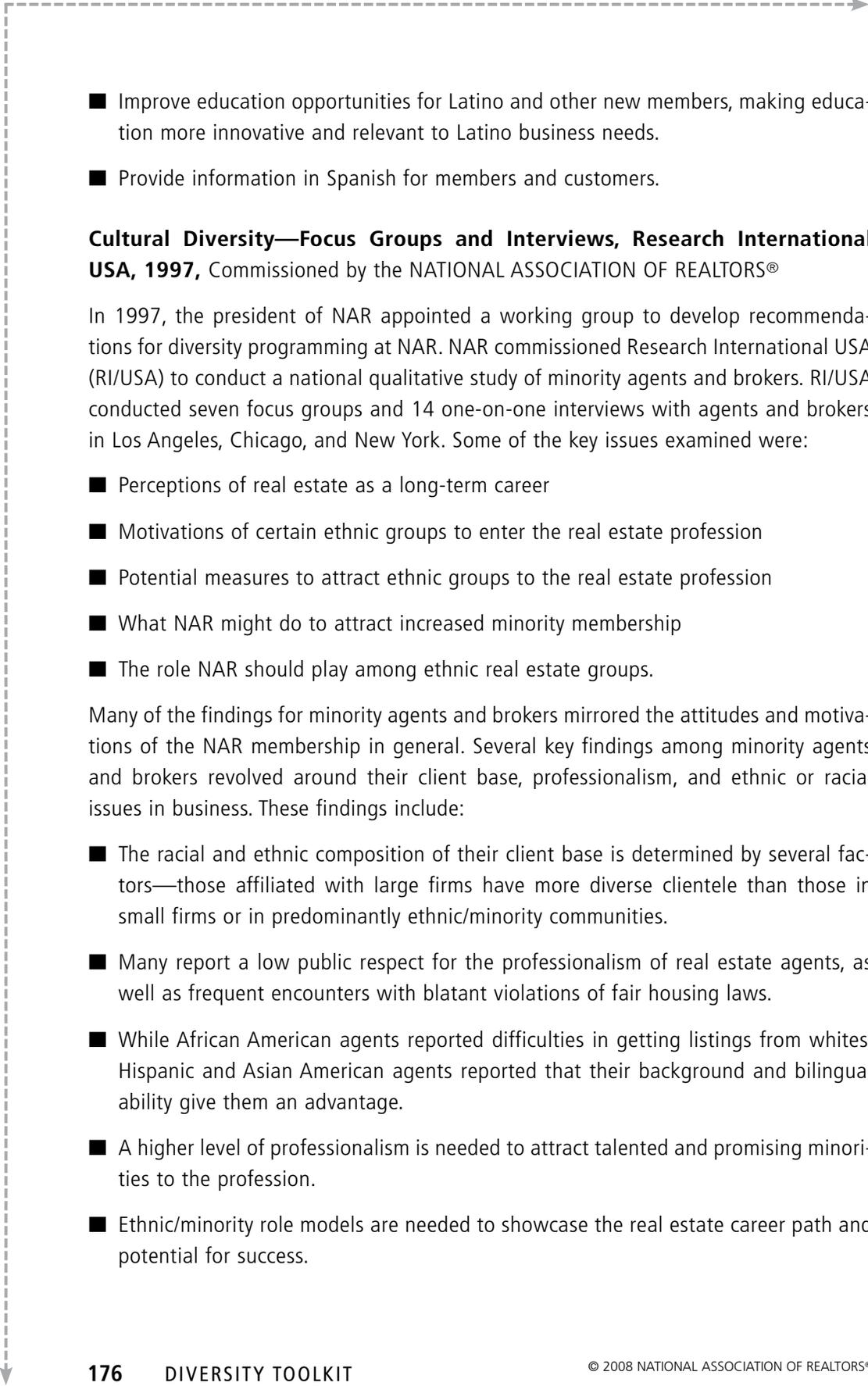
- Identify the reasons why many ethnic minority licensees choose not to join organized real estate associations.
- Identify services and products that local Boards and C.A.R. could offer ethnic minority licensees to meet their business needs.
- Identify barriers that keep ethnic minority Realtors® from participating more fully in committee/leadership positions in organized real estate.
- Recommend how C.A.R. and the local Boards can increase ethnic minority membership and retention.

The research was conducted through a series of six mini-focus groups conducted in English by a bilingual ethnic moderator in three locations: San Jose, Los Angeles, and San Diego. The following were several key conclusions:

- Latino REALTORS® would like to be personally invited to join the Board. In two locations, members felt unwelcome at the Board.
- Challenges for Latino real estate professionals include difficulty in educating the Latino customer base, qualifying buyers (because many buyers do not have traditional credit histories), developing trust among customers, and overcoming language difficulties.
- Volunteering is very time-consuming and many Latino REALTORS® perceive a “glass ceiling” limiting their ability to move to higher positions.

The authors of the study developed 11 conclusions; recommendations, many consistent with the conclusions of other studies, fell into the following categories:

- Develop diversity training and awareness for all members, including articles in magazines and diversity committees.
- Increase opportunities for Latino involvement and leadership, including a Latino subgroup such as an Hispanic Council to foster networking.

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- Improve education opportunities for Latino and other new members, making education more innovative and relevant to Latino business needs.
 - Provide information in Spanish for members and customers.

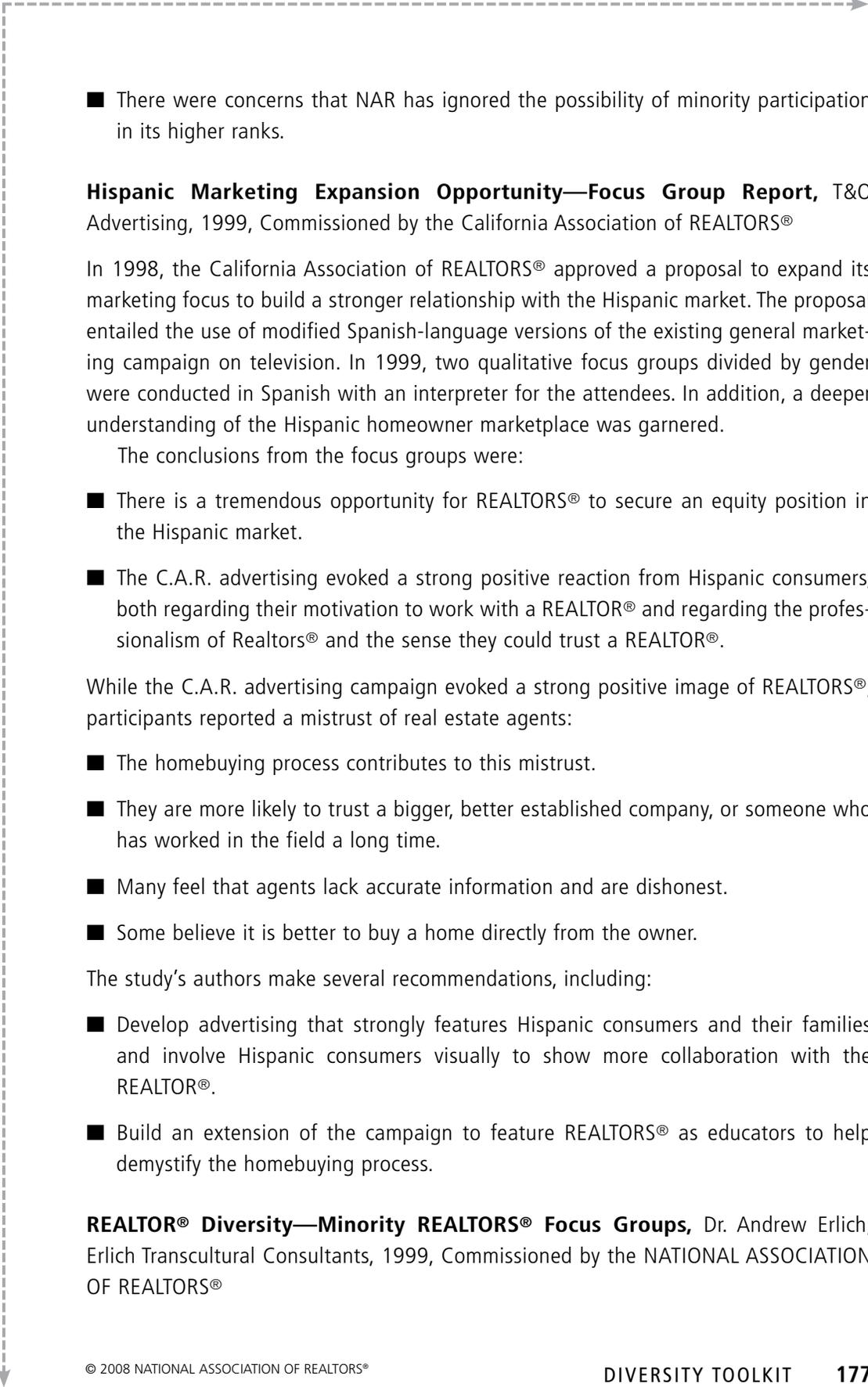
Cultural Diversity—Focus Groups and Interviews, Research International USA, 1997, Commissioned by the NATIONAL ASSOCIATION OF REALTORS®

In 1997, the president of NAR appointed a working group to develop recommendations for diversity programming at NAR. NAR commissioned Research International USA (RI/USA) to conduct a national qualitative study of minority agents and brokers. RI/USA conducted seven focus groups and 14 one-on-one interviews with agents and brokers in Los Angeles, Chicago, and New York. Some of the key issues examined were:

- Perceptions of real estate as a long-term career
- Motivations of certain ethnic groups to enter the real estate profession
- Potential measures to attract ethnic groups to the real estate profession
- What NAR might do to attract increased minority membership
- The role NAR should play among ethnic real estate groups.

Many of the findings for minority agents and brokers mirrored the attitudes and motivations of the NAR membership in general. Several key findings among minority agents and brokers revolved around their client base, professionalism, and ethnic or racial issues in business. These findings include:

- The racial and ethnic composition of their client base is determined by several factors—those affiliated with large firms have more diverse clientele than those in small firms or in predominantly ethnic/minority communities.
- Many report a low public respect for the professionalism of real estate agents, as well as frequent encounters with blatant violations of fair housing laws.
- While African American agents reported difficulties in getting listings from whites, Hispanic and Asian American agents reported that their background and bilingual ability give them an advantage.
- A higher level of professionalism is needed to attract talented and promising minorities to the profession.
- Ethnic/minority role models are needed to showcase the real estate career path and potential for success.

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- There were concerns that NAR has ignored the possibility of minority participation in its higher ranks.

Hispanic Marketing Expansion Opportunity—Focus Group Report, T&O Advertising, 1999, Commissioned by the California Association of REALTORS®

In 1998, the California Association of REALTORS® approved a proposal to expand its marketing focus to build a stronger relationship with the Hispanic market. The proposal entailed the use of modified Spanish-language versions of the existing general marketing campaign on television. In 1999, two qualitative focus groups divided by gender were conducted in Spanish with an interpreter for the attendees. In addition, a deeper understanding of the Hispanic homeowner marketplace was garnered.

The conclusions from the focus groups were:

- There is a tremendous opportunity for REALTORS® to secure an equity position in the Hispanic market.
- The C.A.R. advertising evoked a strong positive reaction from Hispanic consumers, both regarding their motivation to work with a REALTOR® and regarding the professionalism of Realtors® and the sense they could trust a REALTOR®.

While the C.A.R. advertising campaign evoked a strong positive image of REALTORS®, participants reported a mistrust of real estate agents:

- The homebuying process contributes to this mistrust.
- They are more likely to trust a bigger, better established company, or someone who has worked in the field a long time.
- Many feel that agents lack accurate information and are dishonest.
- Some believe it is better to buy a home directly from the owner.

The study's authors make several recommendations, including:

- Develop advertising that strongly features Hispanic consumers and their families and involve Hispanic consumers visually to show more collaboration with the REALTOR®.
- Build an extension of the campaign to feature REALTORS® as educators to help demystify the homebuying process.

REALTOR® Diversity—Minority REALTORS® Focus Groups, Dr. Andrew Erlich, Erlich Transcultural Consultants, 1999, Commissioned by the NATIONAL ASSOCIATION OF REALTORS®

NAR sought information regarding the barriers and/or issues that minorities experience upon entering and working to succeed in the real estate industry. NAR used data from this research to develop programs to increase minority membership in NAR. Key research objectives were to:

- Understand if minority REALTORS® perceive themselves to be as successful as nonminority REALTORS®. If yes, determine what prevents minorities from attaining success.
- Ascertain if it is more difficult for minorities to enter the real estate profession; if yes, understand what difficulties minorities face that others do not.
- Determine what strategies would be most effective in assisting minority REALTORS®.

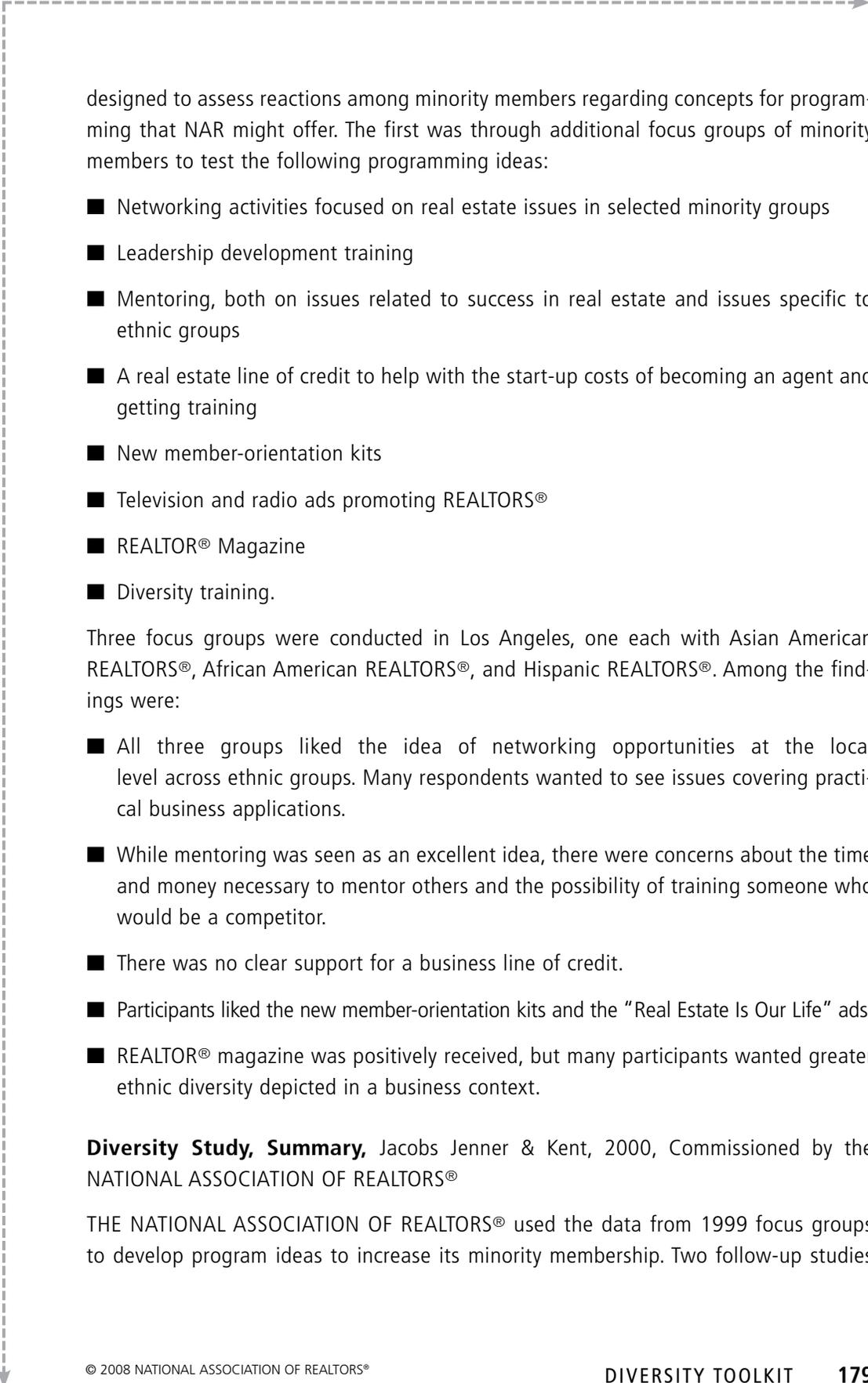
Eight focus groups were conducted in five different cities. In San Francisco, Los Angeles, and Bethesda, Md., a total of four Asian focus groups were selected. In Baltimore, two African American focus groups were selected. Two Hispanic focus groups were conducted in Houston.

Among the findings were the following:

- Across all groups, there was no clear understanding of what NAR does or why membership is beneficial.
- Minorities feel unwelcome when they attend Association meetings. Others felt that attendance was of little importance and they were too busy. Some Asian and Hispanic participants said their language skills were barriers to participation.
- Helping people achieve their homeownership dreams was a recurring theme in discussions why minorities entered the profession.
- Minority REALTORS® often feel their professionalism, competence, and special skills go unrecognized.
- Mentoring for new and experienced agents was frequently mentioned as a system for encouraging new minority agents to stay in the profession. Networking among new and experienced agents was also seen as a good idea.

Qualitative Research Conducted Among Latinos, Asians and African Americans, REALTOR (Diversity II, Erlich Transcultural Consultants, 2000, Commissioned by the NATIONAL ASSOCIATION OF REALTORS®)

THE NATIONAL ASSOCIATION OF REALTORS® used the data from 1999 focus groups to develop program ideas to increase its minority membership. Two follow-up studies were



designed to assess reactions among minority members regarding concepts for programming that NAR might offer. The first was through additional focus groups of minority members to test the following programming ideas:

- Networking activities focused on real estate issues in selected minority groups
- Leadership development training
- Mentoring, both on issues related to success in real estate and issues specific to ethnic groups
- A real estate line of credit to help with the start-up costs of becoming an agent and getting training
- New member-orientation kits
- Television and radio ads promoting REALTORS®
- REALTOR® Magazine
- Diversity training.

Three focus groups were conducted in Los Angeles, one each with Asian American REALTORS®, African American REALTORS®, and Hispanic REALTORS®. Among the findings were:

- All three groups liked the idea of networking opportunities at the local level across ethnic groups. Many respondents wanted to see issues covering practical business applications.
- While mentoring was seen as an excellent idea, there were concerns about the time and money necessary to mentor others and the possibility of training someone who would be a competitor.
- There was no clear support for a business line of credit.
- Participants liked the new member-orientation kits and the “Real Estate Is Our Life” ads.
- REALTOR® magazine was positively received, but many participants wanted greater ethnic diversity depicted in a business context.

Diversity Study, Summary, Jacobs Jenner & Kent, 2000, Commissioned by the NATIONAL ASSOCIATION OF REALTORS®

THE NATIONAL ASSOCIATION OF REALTORS® used the data from 1999 focus groups to develop program ideas to increase its minority membership. Two follow-up studies

were designed to assess reactions among minority members regarding concepts for programming that NAR might offer. The second of these studies was a survey of real estate brokers to test their support for various options regarding three program ideas:

- Networking activities
- New-agent mentoring
- Lines of credit for business start-up expenses.

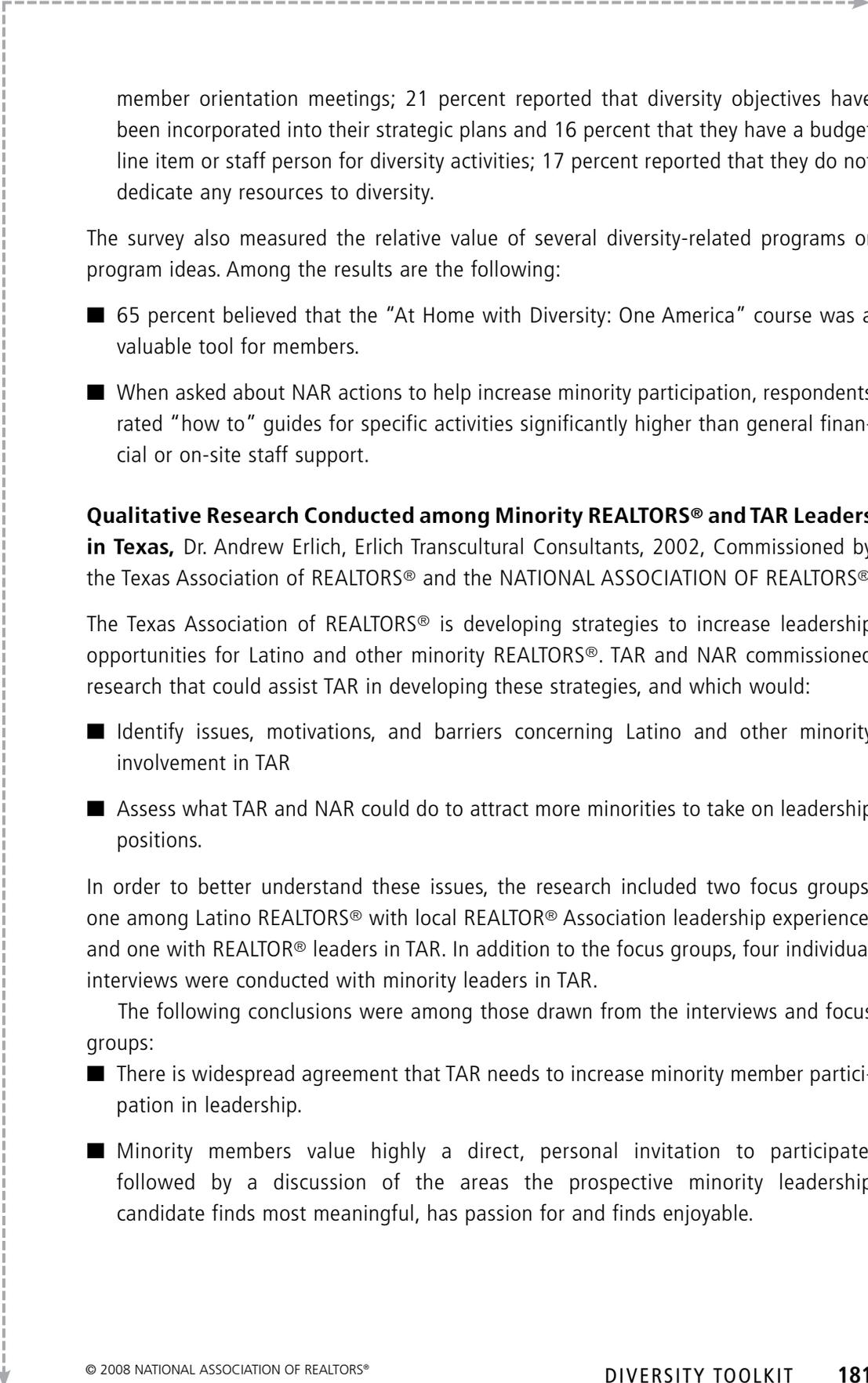
Brokers in companies with 50 or more agents were asked whether they thought the program would be helpful, whether it was currently available in the firm, and whether NAR should develop the program. The results of this survey were as follows:

- The most helpful program idea for increasing diversity in the workplace was mentoring of new agents by experienced agents on various aspects of real estate success.
- Networking and mentoring were widely reported as being currently available in their firms.
- Nearly two-thirds of the brokers surveyed felt that NAR should develop networking activities addressing real estate issues in specific minority communities. No other NAR program idea was supported by a majority of the brokers surveyed.
- Brokers were unanimous in their belief that new programs should be directed toward real estate firms looking to recruit minority agents. In addition, strong majorities felt that new programming should be introduced through NAR publications or in discussions on how real estate issues impact minority agents.

Survey of Association Executives Regarding Political Involvement and Cultural Diversity, Conducted by the NATIONAL ASSOCIATION OF REALTORS® using Zoomerang, May 2002

NAR's Executives Committee conducted a survey in May 2002 to assist the Committee in developing recommendations to enhance REALTOR® political participation at the grassroots level and among NAR's ethnically and racially diverse members. Two questions focused on the Association's membership and diversity programming.

- 51 percent of the respondents reported that their associations had very few minority members; 20 percent reported that there was significant diversity in the association which reflected diversity in their communities.
- 59 percent reported that their associations had a diversity, equal opportunity or fair housing committee; 46 percent reported that diversity was discussed at new



member orientation meetings; 21 percent reported that diversity objectives have been incorporated into their strategic plans and 16 percent that they have a budget line item or staff person for diversity activities; 17 percent reported that they do not dedicate any resources to diversity.

The survey also measured the relative value of several diversity-related programs or program ideas. Among the results are the following:

- 65 percent believed that the “At Home with Diversity: One America” course was a valuable tool for members.
- When asked about NAR actions to help increase minority participation, respondents rated “how to” guides for specific activities significantly higher than general financial or on-site staff support.

Qualitative Research Conducted among Minority REALTORS® and TAR Leaders in Texas, Dr. Andrew Erlich, Erlich Transcultural Consultants, 2002, Commissioned by the Texas Association of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®

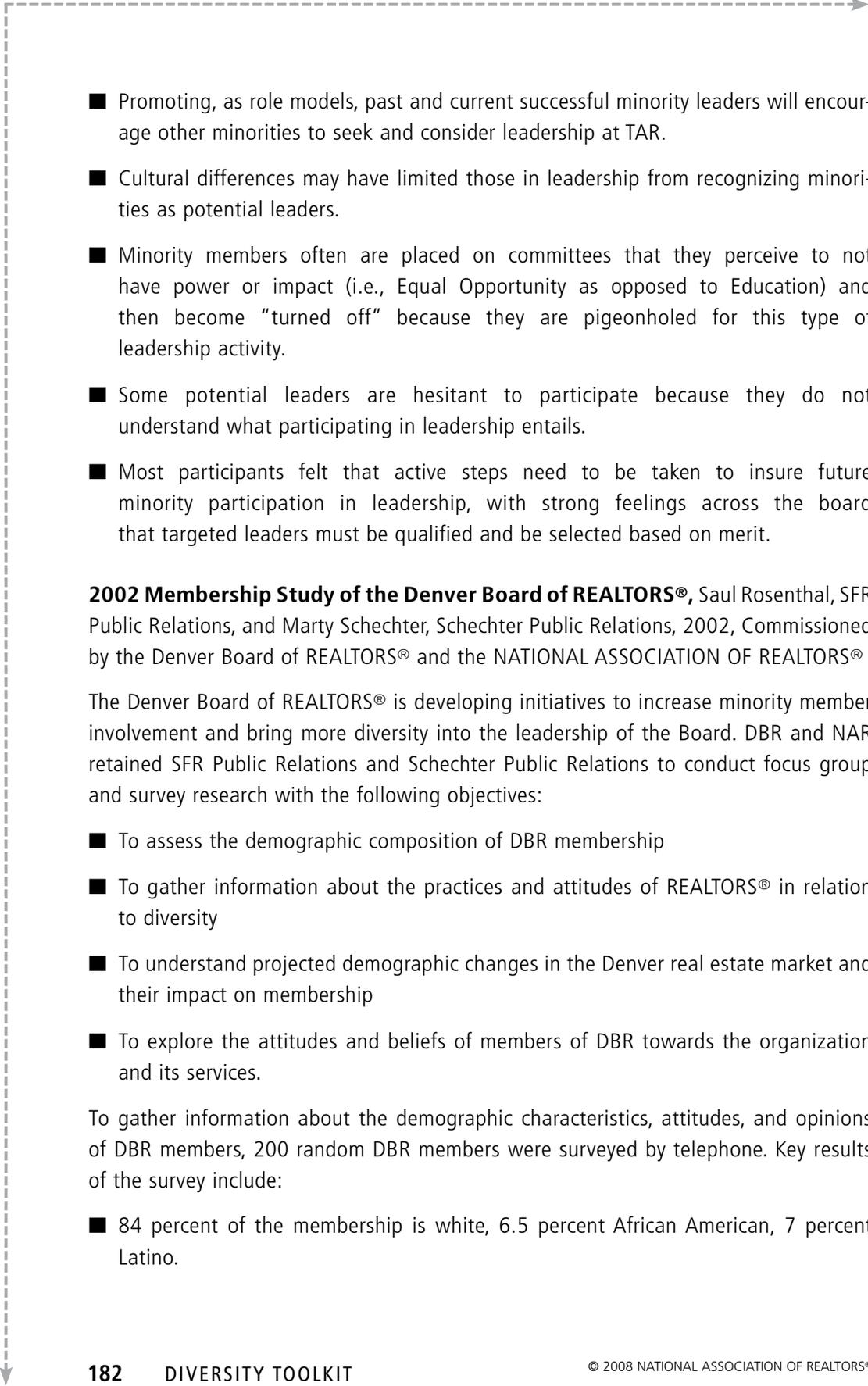
The Texas Association of REALTORS® is developing strategies to increase leadership opportunities for Latino and other minority REALTORS®. TAR and NAR commissioned research that could assist TAR in developing these strategies, and which would:

- Identify issues, motivations, and barriers concerning Latino and other minority involvement in TAR
- Assess what TAR and NAR could do to attract more minorities to take on leadership positions.

In order to better understand these issues, the research included two focus groups, one among Latino REALTORS® with local REALTOR® Association leadership experience, and one with REALTOR® leaders in TAR. In addition to the focus groups, four individual interviews were conducted with minority leaders in TAR.

The following conclusions were among those drawn from the interviews and focus groups:

- There is widespread agreement that TAR needs to increase minority member participation in leadership.
- Minority members value highly a direct, personal invitation to participate, followed by a discussion of the areas the prospective minority leadership candidate finds most meaningful, has passion for and finds enjoyable.

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- Promoting, as role models, past and current successful minority leaders will encourage other minorities to seek and consider leadership at TAR.
 - Cultural differences may have limited those in leadership from recognizing minorities as potential leaders.
 - Minority members often are placed on committees that they perceive to not have power or impact (i.e., Equal Opportunity as opposed to Education) and then become “turned off” because they are pigeonholed for this type of leadership activity.
 - Some potential leaders are hesitant to participate because they do not understand what participating in leadership entails.
 - Most participants felt that active steps need to be taken to insure future minority participation in leadership, with strong feelings across the board that targeted leaders must be qualified and be selected based on merit.

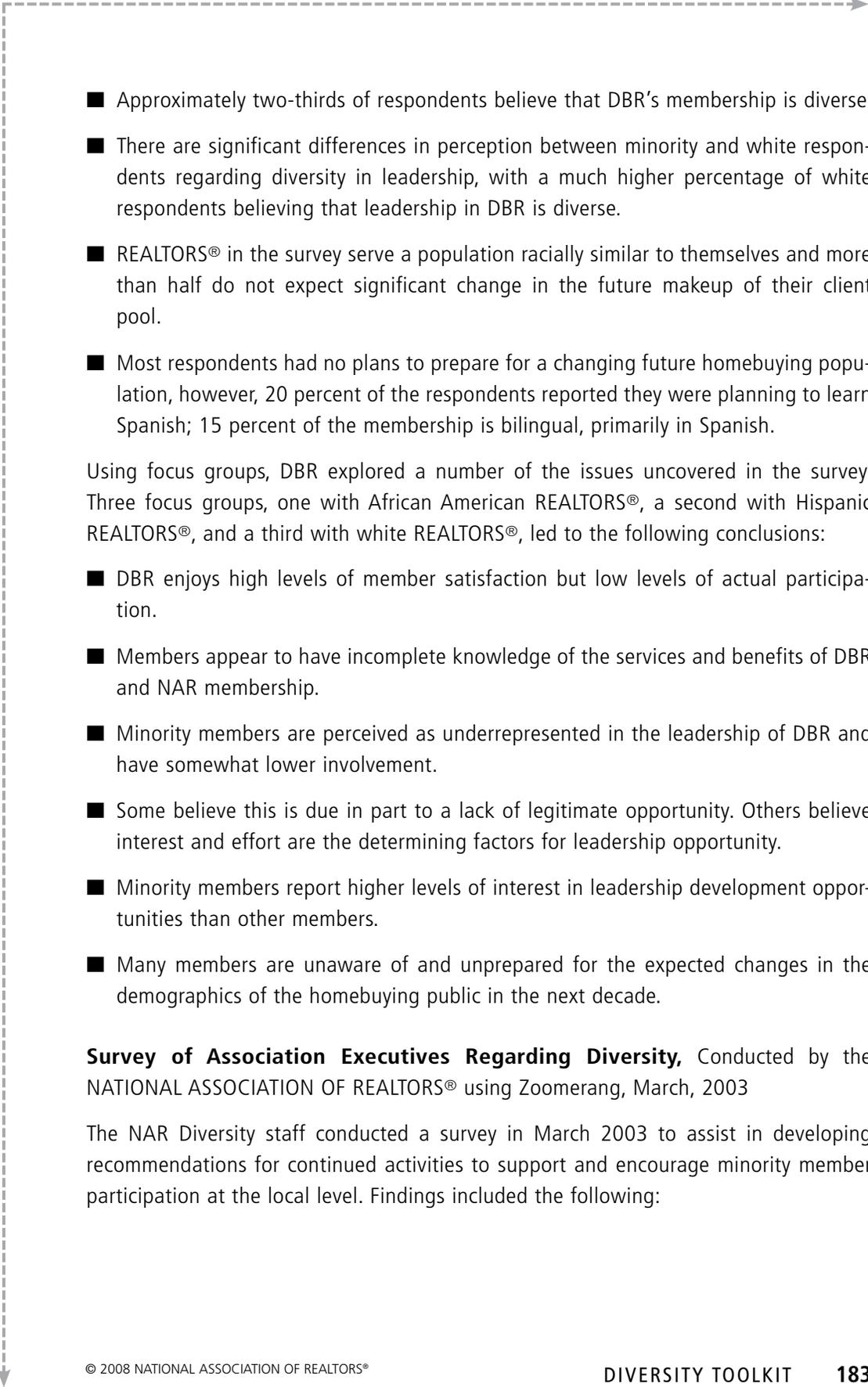
2002 Membership Study of the Denver Board of REALTORS®, Saul Rosenthal, SFR Public Relations, and Marty Schechter, Schechter Public Relations, 2002, Commissioned by the Denver Board of REALTORS® and the NATIONAL ASSOCIATION OF REALTORS®

The Denver Board of REALTORS® is developing initiatives to increase minority member involvement and bring more diversity into the leadership of the Board. DBR and NAR retained SFR Public Relations and Schechter Public Relations to conduct focus group and survey research with the following objectives:

- To assess the demographic composition of DBR membership
- To gather information about the practices and attitudes of REALTORS® in relation to diversity
- To understand projected demographic changes in the Denver real estate market and their impact on membership
- To explore the attitudes and beliefs of members of DBR towards the organization and its services.

To gather information about the demographic characteristics, attitudes, and opinions of DBR members, 200 random DBR members were surveyed by telephone. Key results of the survey include:

- 84 percent of the membership is white, 6.5 percent African American, 7 percent Latino.

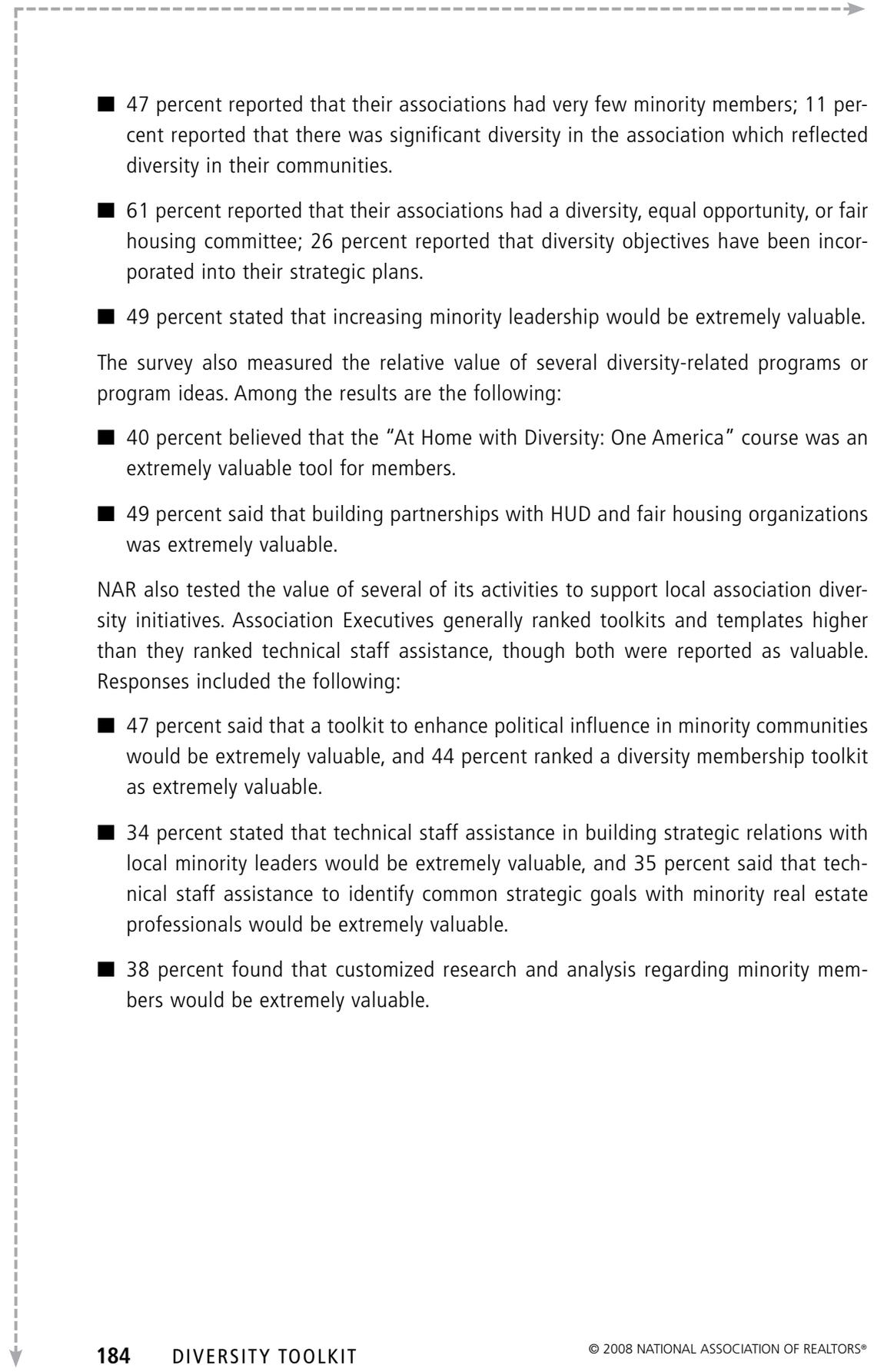
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- Approximately two-thirds of respondents believe that DBR's membership is diverse.
 - There are significant differences in perception between minority and white respondents regarding diversity in leadership, with a much higher percentage of white respondents believing that leadership in DBR is diverse.
 - REALTORS® in the survey serve a population racially similar to themselves and more than half do not expect significant change in the future makeup of their client pool.
 - Most respondents had no plans to prepare for a changing future homebuying population, however, 20 percent of the respondents reported they were planning to learn Spanish; 15 percent of the membership is bilingual, primarily in Spanish.

Using focus groups, DBR explored a number of the issues uncovered in the survey. Three focus groups, one with African American REALTORS®, a second with Hispanic REALTORS®, and a third with white REALTORS®, led to the following conclusions:

- DBR enjoys high levels of member satisfaction but low levels of actual participation.
- Members appear to have incomplete knowledge of the services and benefits of DBR and NAR membership.
- Minority members are perceived as underrepresented in the leadership of DBR and have somewhat lower involvement.
- Some believe this is due in part to a lack of legitimate opportunity. Others believe interest and effort are the determining factors for leadership opportunity.
- Minority members report higher levels of interest in leadership development opportunities than other members.
- Many members are unaware of and unprepared for the expected changes in the demographics of the homebuying public in the next decade.

Survey of Association Executives Regarding Diversity, Conducted by the NATIONAL ASSOCIATION OF REALTORS® using Zoomerang, March, 2003

The NAR Diversity staff conducted a survey in March 2003 to assist in developing recommendations for continued activities to support and encourage minority member participation at the local level. Findings included the following:



- 47 percent reported that their associations had very few minority members; 11 percent reported that there was significant diversity in the association which reflected diversity in their communities.

- 61 percent reported that their associations had a diversity, equal opportunity, or fair housing committee; 26 percent reported that diversity objectives have been incorporated into their strategic plans.

- 49 percent stated that increasing minority leadership would be extremely valuable.

The survey also measured the relative value of several diversity-related programs or program ideas. Among the results are the following:

- 40 percent believed that the “At Home with Diversity: One America” course was an extremely valuable tool for members.

- 49 percent said that building partnerships with HUD and fair housing organizations was extremely valuable.

NAR also tested the value of several of its activities to support local association diversity initiatives. Association Executives generally ranked toolkits and templates higher than they ranked technical staff assistance, though both were reported as valuable. Responses included the following:

- 47 percent said that a toolkit to enhance political influence in minority communities would be extremely valuable, and 44 percent ranked a diversity membership toolkit as extremely valuable.

- 34 percent stated that technical staff assistance in building strategic relations with local minority leaders would be extremely valuable, and 35 percent said that technical staff assistance to identify common strategic goals with minority real estate professionals would be extremely valuable.

- 38 percent found that customized research and analysis regarding minority members would be extremely valuable.

Other Resources

REALTOR® Diversity Resources: www.realtor.org/diversity

Go here first for news (top instructors, the certification process, what's happening on the legal front), course information about "At Home with Diversity: One America," fair housing information, NAR contacts, and a resource listing of pertinent books, magazines, and Web sites.

Asian Real Estate Association of America: www.areaa.org

The Asian Real Estate Association of America is a national trade association committed to enhancing business opportunities and success of real estate professionals serving the Asian American community. Formed in 2003, AREAA is dedicated to promoting homeownership opportunities among the many Asian American communities throughout the nation.

The National Association of Hispanic Real Estate Professionals: www.nahrep.org

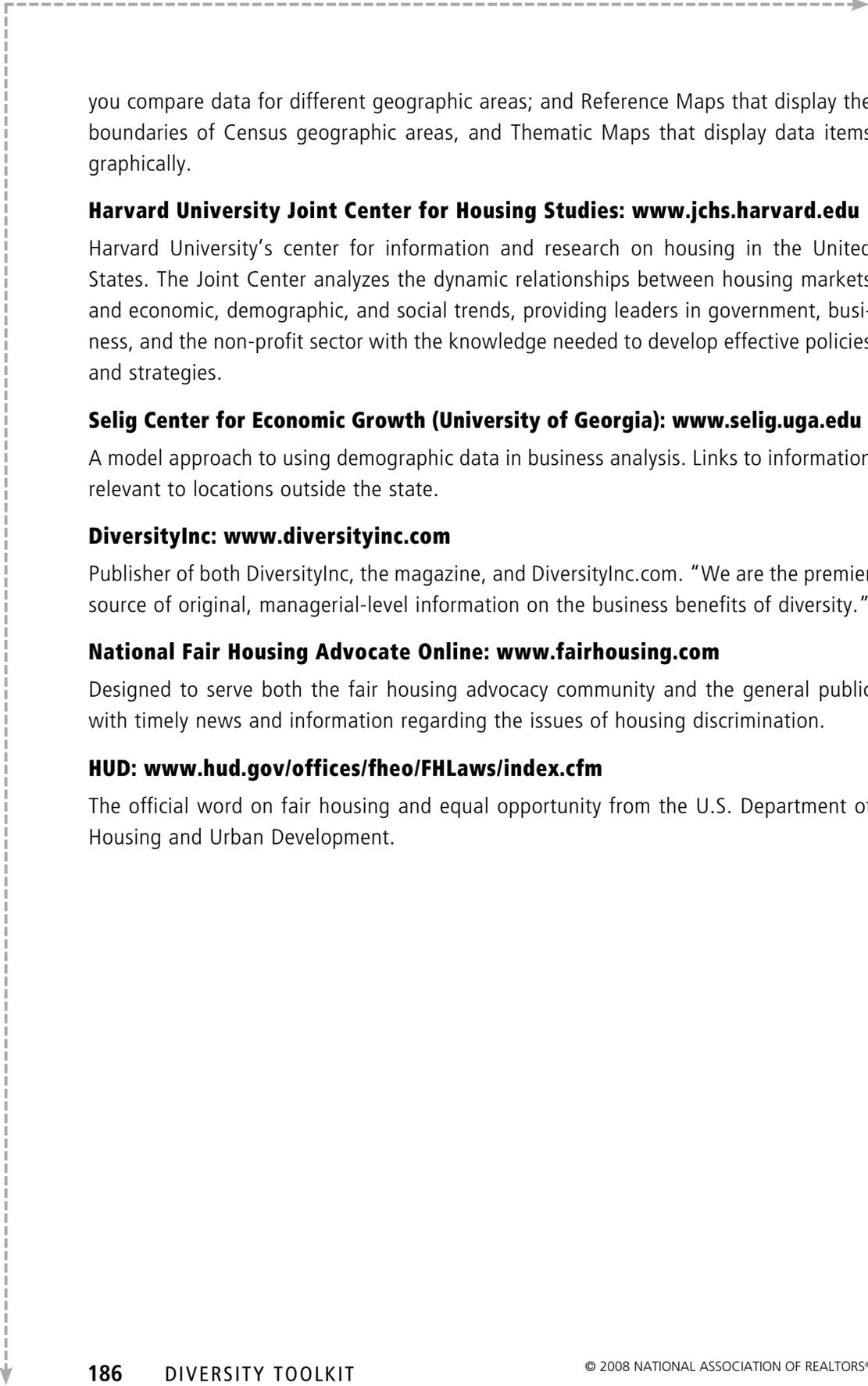
The National Association of Hispanic Real Estate Professionals is a national trade association comprised of more than 10,000 real estate professionals in 44 states, committed to helping Hispanics increase homeownership through education, advocacy, and educational development. Founded in 1999, NAHREP is dedicated to improving the business success of Hispanics in the real estate profession and increasing the Hispanic homeownership rate by empowering real estate professionals that serve Hispanic consumers.

The National Association of Real Estate Brokers: www.nareb.com

The National Association of Real Estate Brokers is the oldest minority national trade association comprised primarily of African American real estate brokers, agents, property managers, appraisers, developers, mortgage brokers and bankers, and others dedicated to enhancing the economic advancement of its members and the minority and underserved communities it serves. Founded in 1947, NAREB is headquartered in Lanham, Md., in the suburbs of the nation's capital and has chapters in more than 60 major metropolitan areas. It advocates for "Democracy in Housing" and has been and continues to be the leading proponent of affordable and accessible housing for African Americans and others in the markets its members serve.

U.S. Census Bureau's American FactFinder: factfinder.census.gov

Designed to help you find the information you need—with Search functions; Basic Facts, where you can find Quick Tables and Geographic Comparison Tables for Population and Housing data and predefined Thematic Maps; Geographic Comparison Tables to help



you compare data for different geographic areas; and Reference Maps that display the boundaries of Census geographic areas, and Thematic Maps that display data items graphically.

Harvard University Joint Center for Housing Studies: www.jchs.harvard.edu

Harvard University's center for information and research on housing in the United States. The Joint Center analyzes the dynamic relationships between housing markets and economic, demographic, and social trends, providing leaders in government, business, and the non-profit sector with the knowledge needed to develop effective policies and strategies.

Selig Center for Economic Growth (University of Georgia): www.selig.uga.edu

A model approach to using demographic data in business analysis. Links to information relevant to locations outside the state.

DiversityInc: www.diversityinc.com

Publisher of both DiversityInc, the magazine, and DiversityInc.com. "We are the premier source of original, managerial-level information on the business benefits of diversity."

National Fair Housing Advocate Online: www.fairhousing.com

Designed to serve both the fair housing advocacy community and the general public with timely news and information regarding the issues of housing discrimination.

HUD: www.hud.gov/offices/fheo/FHLaws/index.cfm

The official word on fair housing and equal opportunity from the U.S. Department of Housing and Urban Development.