

Strategic Issues



Association Presidents Survey on Trends - 2010

Strategic Issues 2010

The Strategic Issues Work Group of the National Association of REALTORS®' Association Executives Committee is charged with identifying emerging trends and issues that are likely to have a significant impact in the near future. The purpose is to create a report that will assist real estate associations, brokers, sales associates and affiliated professionals in their business planning. It will be the fifth such report in the last decade and will be released May 2010.

One step in the process is an e-mail survey of all Association Presidents on changes occurring now and in the future in the real estate business. The response rate to the recently sent survey was good with 293 responses of 1,435 surveys or over 20%. Some questions were with pull down lists. Others were open-ended response. Realize open comments will draw out more negative points. A review of the over 260 responses to each question indicated many recurring themes. These are listed below after the question. The comment order does not indicate intensity or priority.

The Association Executives on the NAR AEC Strategic Issues Work Group are: Mark Allen, Ed Barisa, Karl Berron, Cindy Butts, Chris Carrillo, Helen Carter, Ginger Downs, David Foster, Bob Golden, AnneMarie Howard, Kristi Jerkovich, Bill Malkasian, David Phillips, and Tricia Thomas. NAR Staff are: Gar Anderson, Alice Martin, and Cindy Sampalis. The facilitator is Jerry Matthews and he compiled this analysis of the survey.

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What are the most dramatic changes you see occurring in the real estate business in the next few years?

Continued dominance of short sales and foreclosures
Lack of professionalism
Difficulty in securing financing
Low levels of consumer confidence
Mergers of Associations
Commercial slump, debt issues, foreclosures
Increased use of social media and its impact on business
MLS extends market reach to regional, state wide, even national
Rapid change of information flow / access through technology
NAR's RPR stimulating discussion of MLS future
Fewer agents and brokers
Increase of interest rates
Inflation increasing
Dramatic drop in print advertising, rise in Internet marketing
Government intrusion, control, regulation into business
Smaller company offices
Public demand for real professional performance
Restructuring of financial markets and impact on real estate
Glut of information
Listings gradually being priced correctly
Increase in virtual offices, agents, connectivity
Accelerating rate of change
Change in the role of the Realtor® in a transaction
Still no uniformity in short sales processes
New forms of marketing and advertising

In this changed market, what programs, products or services do members need to assist them now?

Training on short sales, foreclosures, REOs
Education in all forms
Promoting consumer confidence in real estate
Understanding distressed properties in a transaction
Keeping up with technology
Correctly setting property price
Understanding appraisal changes
Personal financial planning, business operations
Improving professional performance
Explaining value to consumers

Staying current on financing and credit
Understanding and using social media
Employing the newest technology tools
Real estate basics
Working in the digital world, smartphones, tablets
Improving personal communications skills
Inexpensive but effective educational sources
Managing data efficiently
Making sure everyone knows about “Right Tools - Right Now”
Being current with federal, state and local laws
Using all Internet tools available
Health insurance access
Knowing the short sale process

What has surprised you about the down real estate market?

How extensive it is
Increase of governmental restrictions in this market
Agents that have no clue how to work in this market
Increase in unethical behavior
Lenders being unresponsive and difficult
Not losing more members
How poorly equipped banks are to handle this new situation
More consumers are not taking advantage of low prices and interest rates
Potential buyers not making decisions
Tenacity of agents and brokers
Lack of professionalism
Length of the downturn
How many members are staying in the business
Multiple problems: jobs, financing, auto industry, insurance, GSEs, federal debt
Banks not willing to work with homeowners to keep homes
Number of new agents entering the business now
Experiences agents not willing to change business style in new market
Severity of drop in consumer confidence
Why a standard short sale process cannot be created
Negative media impact on the public

As an Association President, what assistance do you need to get through this time of change?

Tools to fight regulations and laws like cap and trade
More programs and tools for members
Training on understanding markets and cycles
More of NAR’s “Right Tools - Right Now”
Support on making necessary cuts of out dated traditions
Ideas on cutting expenses, budget control
Encouragement on helping each other to get through this cycle
Lobby to get the tax credit extended again

Better ways to communicate with members
Virtual education, webinars
Accurate information on public policy issues
Assisting Associations with cost control on back office systems
Training on social media
Positive market announcements
Stronger volunteer leaders
Mentoring of younger members
Strengthen the message of Association value to members

What major changes do you see in the next few years in your Association?

Loss of members
Mergers of Associations
Retiring older agents and brokers
Consolidation of MLSs
Public access and information from MLSs
Cooperation with other Associations on programs and services
Emphasis on essential services, less frills and social
More education offered to members
Members leaving the business as economy improves
Virtual services, webinars
More use of technology tools
Cooperative ventures between Associations
Proving the value of the Association to members
Struggling to survive
Increased costs everywhere due to new government programs
Lack of volunteers and involvement
More assistance to members with this tough market
Using new communications tools and methods
Lack of enthusiasm
Economic factors trumping everything
Competition from other Associations

Presidents Issues Survey 2010

Results Overview

Date: 3/20/2010 6:56 PM PST
 Responses: Completes
 Filter: No filter applied












2. How long have you been in the real estate business?

One year or less		0	0%
1 - 5 years		13	4%
6 - 10 years		64	22%
11 - 15 years		46	16%
16 - 20 years		54	18%
21 - 25 years		39	13%
More than 25 years		76	26%
Total		292	100%

4. What is the membership size of your Association?

Less than 500		135	46%
501 - 750		29	10%
751 - 1,000		24	8%
1,001 - 1,500		22	8%
1,501 - 2,000		16	5%
2,001 - 5,000		26	9%
5,001 - 7,500		13	4%
7,501 - 10,000		9	3%
10,001 - 20,000		7	2%
20,001 - 30,000		5	2%
30,001 - 50,000		3	1%
Over 50,000		3	1%
Total		292	100%

5. What are your projections on membership changes in the next 2 years?

Increase of more than 20%		3	1%
Increase of 15% - 19%		7	2%
Increase of 11% - 14%		6	2%
Increase of 5% - 10%		43	15%
Increase of less than 5%		45	15%
Stay the same		66	23%
Loss of 1% - 5%		56	19%
Loss of 6% - 10%		45	15%
Loss of 11% - 15%		12	4%
Loss of 16% - 20%		6	2%
Loss of 21% - 25%		2	1%
Loss of more than 25%		1	0%
Total		292	100%