

Protecting the American Dream

REALTORS® work behind the scenes to defend homeowner's rights.

When we think about buying or selling property, we typically reach out to a real estate professional to help us navigate the process. A trusted REALTOR® is crucial in advising buyers and sellers in a real estate transaction. But most of us aren't aware there is a group of REALTORS®, over a million strong, working to protect homeowner's rights.

Since 1969, the REALTORS® Political Action Committee (RPAC) has promoted the election of pro-REALTOR® candidates across the United States. RPAC is non-partisan in its selection of candidates to support, aggressively pursuing the election and re-election of candidates for local, state and federal office who stand up in support of key issues in the real estate industry.

Throughout its 46-year history, RPAC has leveraged the grassroots power of the NATIONAL ASSOCIATION OF REALTORS® (NAR) to advance property ownership and the free enterprise system.

One priority issue for NAR in 2015 was to ensure the certainty of a permanent 15-year depreciation period for leasehold improvements on commercial real property. Congress had allowed the 15-year depreciation period to lapse. This important legislation ends the year-to-year uncertainty of Congressional renewal and, because it has been applied retroactively, prevents commercial property owners from having to use a 39-year depreciation period for all leasehold improvements made in 2015.

Over the years, RPAC has been a steadfast proponent of homeowner's right in a number of issues. Tom Murphy, National Director of the Sioux Dakota Association of REALTORS®, once represented the NAR in a hearing in the senate banking committee to keep banks out of real estate. "It was just about doing the deal," he said, "and they made some risky loans. We saw the results of that with the bank collapse. But I spoke on behalf of the NAR on the hill in Washington to keep banks out of real estate, to have that buffer. It took years...but we won."

A hot button issue with RPAC is the government's somewhat regular attack on the homeowners' right to deduct home loan interest on their taxes.

Kenny Dunlap, RPAC member and past president of the Sioux Falls Board, has over 40 years experience in real estate. "As an industry," he said, "we have always felt this deduction has been important for the general public and for real estate overall.

There have been a number of articles written about what it could potentially do to home values if that particular benefit were taken away. Off the top of my head, it could affect values in the neighborhood of 30%."

Murphy added that revoking this benefit "doesn't make the government any money. But it's a real benefit to homeowners. It is important in a small state like South Dakota where the majority of people are taking out a 30-year mortgage. It maybe gives them a little bit of money back at the end of the year, but what it also does is give them the ability to take that money and stick it back into their home in improvements or furniture or whatever it might be. In most cases, it gets circulated back into their property or their community."

On a national level, RPAC has stepped up a number of times over the years when this benefit has been attacked. To date, RPAC has been successful in helping maintain this right and benefit of homeowners.

RPAC has a long history of advocating for homeowners rights relative to mortgage bonds, FHA loan and flood insurance. "Most homeowners don't realize the influence of RPAC," Murphy continued. "They do the paperwork, they see a home, they go to the bank and everything is drawn out for them to do. But I don't think they realize it got to this point because this organization went out there, especially after the banks collapsed. On the national level, RPAC worked with GSA reform, RESPA reform, Freddie Mac, Fannie Mae, anything that could help the homeowners. You had people that were upside down in their mortgages and the national association of realtors went out to help them with the change in government. No other organization really stepped up. We were the only ones that stepped in to help these (property owners)."

Karen Dunham, Past-President of the Sioux Falls Board of REALTORS® and 2009 Lifetime Achievement Award recipient has been a real estate professional since 1977. "It's important to support the system," said Dunham. "Washington plays a huge role in what happens in real estate. Politics always plays a part in whoever you are, whatever you do." She concluded, "There's a satisfaction in helping people."



"We are really the only advocacy group for all homeowners," stated Murphy. "It doesn't matter if it's a \$60,000 house or a \$600,000 house. It's a way to talk to our representatives. We work to protect the rights of all real estate ownership."

According to Tom Murphy, "RPAC is, I believe, the only PAC where 100% of the dollars that go in, go back out. None of it goes to administrative fees. One thing about the PAC is, you're not buying votes. But you're hoping to buy an ear...a seat at the table...It supports candidates that really believe in homeownership."

RPAC monitors the bills that are introduced and works to influence how some of the legislation is written. Dunlap commented, "that's where we look at RPAC to be a watch dog for some of those things. If RPAC feels that pending legislation is not a benefit to the homeowners of the United States, they will stand up and fight that and try to get the REALTORS® to back them in doing that."

"That's a strong benefit that we have," concluded Murphy, "that our representatives know how we feel on the issues. When we talk to our representatives in Congress, they know that what we're asking for isn't selfish on our part. We're looking out for the homeowner. So it doesn't matter whether you're a Republican or Democrat. Ours is a fact-based association. This is what's good for the consumer...this is what's good for the homeowner."

RPAC is the only group set up specifically to protect the rights of real estate ownership. They watch and protect our rights not only on a national level, but in the state and local communities.

**Thank you REALTORS®
for keeping a watchful eye!**

