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SANTA CLARA COUNTY
Association of REALTORS[®]
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www.sccaor.com

2017 ANNUAL REPORT

SANTA CLARA COUNTY ASSOCIATION OF REALTORS[®]



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LETTER FROM THE CEO

2017 was a very good year for growth for our Association. Membership overall grew 6.5% and we ended the year with 5,723 Primary REALTOR® Members, 192 Secondary REALTOR® Members, and 485 Affiliates.

We launched a new Community Directory that provided a free basic listing for all our Affiliate members. We handed out over 5,000 of these Directories throughout the year.

We pride ourselves on being able to provide our members with the very best tools and technology for their business. We completed a very successful key and lockbox exchange in the first quarter of the year. We also upgraded our monitors in Training Room A and repurposed the older monitors throughout the building. Our classrooms host thousands of students each year so we needed to have the biggest and best monitors that we could find available for our members.

One of President Rick Smith's goals was better Broker communication. To accomplish this, we hosted Leslie Appleton Young, Chief Economist from C.A.R., for a Broker-Only meeting. Later in the year we also hosted a small Broker Focus Group.

Our Global Council once again received the prestigious Gold Achievement Award from NAR and our Commercial Feasibility Task Force launched a Commercial Referral Network with help from a \$2,000 grant from NAR. This online platform helps match Residential Agents and Commercial Brokers together in a trusted community.

We partnered up with our neighboring Association to secure a \$100,000 grant from C.A.R.'s Housing Affordability Fund for closing cost assistance for first-time homebuyers. This was one of the largest grants that C.A.R. has ever committed to a local association. We knew our members needed more resources when trying to get first-time buyers into this tight housing market.

Lastly, we also took on the massive project of updating our strategic plan. This plan was thoughtfully designed to successfully guide us through the next three years.



A handwritten signature in dark ink, appearing to read 'Neil Collins'.

Neil Collins, Chief Executive Officer

STRATEGIC PLAN

MISSION STATEMENT

The Santa Clara County Association of REALTORS® (SCCAOR) exists to meet the business, professional and political needs of its members and to promote and to protect private property rights.

VISION STATEMENT

To be the most credible resource for real estate related issues in the markets we serve.

Member Services & Satisfaction

Engage our members and provide them the resources and opportunities to improve their business.

Strategies

1. Provide our members with resources to better service global & multicultural clients.
2. Provide members with resources that will help them better articulate their value position to their clients.
3. Provide our members with new resources that are easily accessible.
4. Improve communication with our Broker Community.

Advocacy for REALTORS® & Property Owners

Energize our members & their clients to actively participate in government affairs issues that affect the real estate profession.

Strategies

1. Clarify the role SCCAOR plays in protecting private property rights and homeownership.
2. Engage and mobilize the public on pro housing related issues.
3. Support qualified members interested in participating in the political process.
4. Strengthen our ability to support candidates that are supportive of housing issues.

Education & Professional Development

Provide members the means to attain a minimum standard of excellence by developing core competencies & providing business specialty training.

Strategies

1. Deliver high-quality digital content to members.
2. Be more active in the development of new REALTOR® members.
3. Bring our members the most relevant and cutting-edge technology.

Public & Community Relations

Increase public understanding of the value and contribution of REALTORS® within our communities.

Strategies

1. Develop a consumer facing website to better represent the value of our REALTORS®.
2. Positively impact our communities through the goodwill of our members.
3. Be the local "Voice for Real Estate".

Organizational Excellence

Maximize member investments to deliver remarkable services and programs.

Strategies

1. Recruit and develop future leaders for our industry.
2. Aspire to be "top of mind" on all issues relating to housing.
3. Run an efficient and high performing organization.

2017 OFFICERS



Rick Smith
President



Kevin Cole
President-Elect



Anne Hansen
Vice President



Brad Gill
Treasurer

2017 BOARD OF DIRECTORS



Rob Bates



Helen Chong



Craig Gorman



Doug Goss



Gene Hunt



Sandy Jamison



Don Jessup



Trisha Motter



Tung Nguyen



Nicholas Pham



Carl San Miguel



Stephen Theard



Mark von Kaenel



Myron Von Raesfeld



Linda Zimmer

COMMITTEES

The **Affiliate Committee** consists of members who are from different sectors of the real estate industry. Together, they collaborate to come up with innovative ideas that will add value to the real estate community. The committee personally calls and welcomes all new REALTOR® members and hosts our free monthly Brunch and Learn events.

The **Budget and Finance Committee** reviews SCCAOR's budgets and ensures the financial success of the Association. Committee members must have expertise in the accounting and finance field or knowledge of REALTOR® Association's standards.

The **Commercial Council** provides our members with education, networking, and referral opportunities so that they can increase their earning capacity by becoming proficient in dealing with Commercial Real Estate transactions.

The **Santa Clara County REALTORS® Foundation** is comprised of REALTORS® and Affiliates who raise money through dues and various real estate industry events in an effort to invest in our neighborhoods with compassion and foresight.

The **Global Investment Council** coordinates with other internal committees and external organizations to ensure that SCCAOR is the recognized local resource for global real estate and multi-cultural clients.

The **Grievance Committee** evaluates all disciplinary complaints alleging violations of the Articles of the National Association of REALTORS® Code of Ethics. The Committee can issue a citation under certain criteria or forward the complaint to a Professional Standards Hearing. It does not determine a member's guilt or innocence.

The **Local Candidate Recommendation Committee** (LCRC) ensures SCCAOR's members voice is heard by elected officials. This group is tasked with interviewing

and evaluating candidates based on their support of private property rights and their ability to create a business climate in which our members have the opportunity to thrive.

The **Local Government Relations** (LGR) Committee educates members and the public on property rights and real estate issues. The committee reviews proposed ordinances and makes recommendations to the Board of Directors to take positions that are in the best interest of our members.

The **Ombudsman Committee** is made up of neutral, professionally trained members that try to bring parties together before a dispute escalates. They help the parties open up the avenues of communication and can speak to both parties to offer solutions to help the parties solve their problems.

The **Professional Standards Committee** adjudicates and arbitrates code of ethics complaints between members and the general public and members. Three years of experience on the Grievance Committee is required prior to being eligible to serve on the Professional Standards Committee.

The **Special Events Committee** assists staff with planning and organizing member events like Baseball Night, SCCAOR BBQ, Holiday Celebration, and many others.

The **Young Professionals Network** (YPN) is defined not by age but rather geared towards those that are 'Young' in the business by helping them develop the skills, knowledge and expertise to be a successful REALTOR®.

Learn more at

www.sccaor.com/getinvolved

MEMBER EVENTS



INSTALLATION: The Hayes Mansion was the place to be for the 2017 Installation of Officers and Directors. President Rick Smith, Kevin Cole (President-Elect), Anne Hanson (Vice President) Brad Gill (Treasurer), and our Board of Directors were all sworn in before their industry peers. The evening feature dinner, dancing and a great time for all!

MEMBER APPRECIATION BASEBALL GAME: Over 200 SCCAOR Members came out for an evening of food and baseball with the San Jose Giants. After the tailgate, our members went inside the ballpark and saw President Rick Smith throw out the ceremonial first pitch.



GOLF TOURNAMENT: Cinnabar Hills Golf Club hosted over 150 golfers for the 64th Annual Tournament. At the conclusion of the tournament, participants enjoyed an evening with dinner, awards, silent auction, and raffle to support the Santa Clara County REALTORS® Foundation.

GENERAL MEMBERSHIP MEETINGS: Three times a year, we invite Members to come to the SCCAOR office for guest speakers and to inform them on the latest in the Real Estate Industry. In February, we welcomed California Senator Bob Wieckowski to speak about new ADU Guidelines. June brought in Steve McHarris, the Planning Director for the City of San Jose, and in November we heard from C.A.R. Treasurer Dave Walsh, who discussed C.A.R.'s Tax Portability Initiative.



MEMBER APPRECIATION BBQ: Members gathered outside the SCCAOR Office for the Annual Member Appreciation BBQ. Winchester BBQ provided delicious food, the DJ played great music and Members networked and listened to updates from SCCAOR President Rick Smith and several elected officials in attendance.

CHILI COOK OFF: SCCAOR's 2017 Chili Cook Off took place at Almaden Lake Park in San Jose. Congratulations to EverBank's "Rojo Grande Chili" for winning first place. The People's Choice Award was won by Coldwell Banker's "Don't Mess with Texas Chili".



CONVENTION: Once again, SCCAOR's Convention was a popular day for our Members. Over 1000 people joined more than 60 exhibitors for a day of networking and learning. Speakers covered topics from economics to marketing to industry insights. The Keynote was delivered by Lawrence Yun, NAR's Chief Economist and Senior Vice President of Research.

MEMBERSHIP SERVICES



GOVERNMENT ADVOCACY

SCCAOR's Government Affairs Team focuses on advocating REALTOR® Party values on behalf of our members in the halls of government. Through our advocacy, we work to protect and promote homeownership and private property rights. The REALTOR® Party speaks with one voice to advance candidates and public policies that build strong communities and promote a vibrant business environment.

In 2017 we worked with C.A.R. to help stop AB 71 (Chiu), a bill that would have eliminated the mortgage interest deduction for second homes. We also sent 60 SCCAOR Members to Sacramento for Legislative Day to advocate for homeownership and private property rights. SCCAOR Members also led a signature gathering campaign to help qualify the Property Tax Fairness Initiative, which would eliminate the "moving penalty" for seniors 55 and older, the disabled, and victims of natural disasters, allowing them to carry their current Proposition 13-protected property tax assessment level to another home.



PROFESSIONAL STANDARDS

SCCAOR'S Dispute Resolution Committee volunteers and staff are some of C.A.R.'s most recognized representatives. The Ombudsman committee, which assists in resolving issues before they become a disciplinary complaint handled 20 issues in 2017, none of which escalated to Professional Standards hearings. The Grievance Committee, which reviews complaints as to the worthiness of being forwarded to an ethics hearing, reviewed 16 ethics complaints, dismissed 3 and forwarded 13 complaints to a hearing.



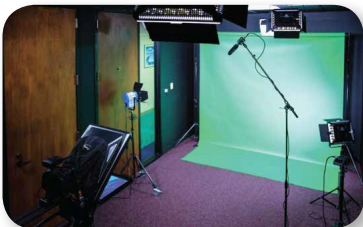
The Professional Standards Committee conducted 13 hearings in 2017. Three Arbitrations were filed and parties negotiated a settlement prior to the Arbitration hearing.

In 2017 a Professional Standards Policy was established to provide our members and the public with a high level of process integrity and competency, both real and perceived. The policy clarifies prior experience required for a new committee member, mandatory training for each committee member and level of participation.



STUDIO

The SCCAOR Studio is a full-service video production studio with a focus on creating branding and marketing content. We offer a wide range of premium media products and compelling content that can be used across a diverse group of media channels. SCCAOR Members receive one free headshot and video per year as a member benefit. In 2017 our studio produced 218 member headshots and 21 member videos.



In addition to the standard member benefits, we are equipped to produce a vast range of dynamic media content for members and non-members alike, both here in the studio and in the field.

Learn more at www.sccaor.com/studio

MEMBERSHIP SERVICES



EDUCATION

Education is one of the hallmark services at SCCAOR. We are often one of the first Associations to provide educational programming on hot topics and trends, and we take great pride in bringing our Members the latest and most innovative programs in the industry.

In 2017, we held 81 classes that were attended by 2,812 students. We also hosted 60 MLS seminars for our members. We hosted our first live contract class on the C.A.R. Residential Purchase Agreement and had an impressive turnout of 71 attendees.

SCCAOR University hosted several designation classes in 2017, including e-PRO®, SRES® (Seniors Real Estate Specialist®), “Real Estate Investing”, and CIPS (Certified International Property Specialist).

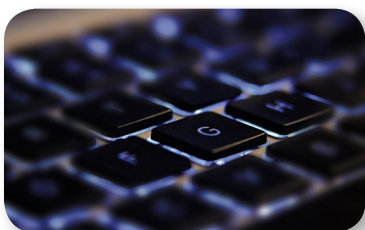
To see our current education calendar, visit www.sccaor.com/education



SCCAOR STORE

The SCCAOR Store is your one-stop source for all things real estate. Here you'll find everything from signposts, shoe covers, open house signs, registries, and even apparel to help market yourself as a REALTOR®. With a focus on excellent customer service and a 24-hour turnaround time on selected items, we have become the #1 shopping choice for local REALTORS®. Come check out the store during your next visit to the SCCAOR Office – you will be sure to find everything that you will need!

You can browse our online store at www.sccaor.com/online-realtor-store



TECH SUPPORT

SCCAOR Tech Support provides our members with assistance on technology related issues at no cost. Our trained professionals provide hardware, software and network support. We also offer customized technical assistance by appointment where you work directly with a tech professional to address your technical needs.

In 2017, we repaired 122 computers. The most common technical services were:

- PC hardware diagnostics, installation & repair
- Software installation & troubleshooting
- Virus protection & recovery

Learn more at www.sccaor.com/technical-support






COMMUNICATIONS

In 2017 the SCCAOR Communications Team focused on highlighting the value of our REALTOR® Members as well as the good work that our Foundation does in our community.

We sent 6 press releases in 2017, which had a total pickup of 1,304 articles (Avg. pickup 217 per release). From the press releases that were published online, we had a total of 34,803 views (Avg. 5,801 views per release). We also published 4 advertorials in the real estate section of the San Jose Mercury News.

Television Interviews with SCCAOR Leadership were featured in 9 news stories that aired on local channels like ABC7, FOX2, and CBS5. SCCAOR was also quoted in 8 print and online newspapers, including The San Jose Mercury News, Silicon Valley Business Journal, Los Altos Town Crier, and the Santa Clara Weekly.

SOCIAL MEDIA

Social Network	Followers at end of 2016	Followers at end of 2017	% Change
 Facebook	2,245	2,555	+13.8%
 Twitter	4,965	5,485	+10.5%
 Instagram	360	517	+43.6%
 LinkedIn	2,115	2,902	+37.2%
 YouTube	99	112	+13.2%



FOUNDATION

2017 was an excellent year for the Santa Clara County REALTORS® Foundation. 717 SCCAOR members contributed to the Foundation with their annual dues. One of our goals this year was to make our communities more aware of the Foundation and the work that we do. We continued to develop communications with SCCAOR members and our local Communities by attending REALTOR® breakfast networking meetings and developing a new poster board with information about the Foundation, along with a list of all past grantees and donors.

In 2017 the Foundation gave out over \$108,000 towards individual grants and the \$1M Challenge. Organizations that we supported include: City Team San Jose, San Jose Downtown Street Team, Family Supportive Housing, Rebuilding Together Silicon Valley, Katherine R. Smith Elementary School, Sunday Friends, Learning & Loving Education Center, Loved Twice, Community SEVA, Community United, Silicon Valley Community Foundation, Housing Trust Silicon Valley, Jr. Achievement, Live Oak, North CalFire, KAFPA, Home Church, and Martin-Fontana Parks Association.

Some highlights from 2017 include:

Volunteers pulled weeds, trimmed roses and added mulch at Martin-Fontana Memorial Park in May and October.

Donated \$7,500 to Rebuilding Together Silicon Valley and participated in their “Rebuilding Day”, where we helped repair and clean-up a home in Downtown San Jose.

Raised over \$11,000 in donations for Katherine R. Smith Elementary School at our Annual Pumpkin Auction.

Delivered 250 Thanksgiving turkeys and checks to several organizations, including City Team, Martha’s Kitchen, and Home Church.

Raised \$2,675 in donations and over 600 toys and pajamas to benefit KAFPA, the Kinship, Adoptive and Foster Parent Association, at SCCAOR’s Year-end Holiday Toy Drive.

Donated \$10,000 to victims of the Coyote Creek Floods.

Granted \$5,000 to Housing Trust Silicon Valley to help administer the Housing Affordability Fund (HAF) First-time Homebuyer Grant.

Assisted two SCCAOR Marketing Meetings in raising funds. The Friday Connect meeting raised \$4,200 for Community United and Kelly Thuy Le and her team raised over \$5,000 for victims of the Northern California Fires.

The South County REALTORS® Alliance (SCCRA) raised over \$5,500 with their Kick Off and Golf Tournament and also awarded \$20,000 in scholarships in Gilroy, Morgan Hill and other South County areas.

This was the 3rd year for the \$1M Challenge where individual REALTORS® and brokerages donated to the REALTORS® Helping Homeless fund. Many participants have agreed to give 1% of their commission to help end homelessness. These funds were matched by the Foundation Trustees.



AWARDS & RECOGNITIONS



REALTOR® OF THE YEAR
ANNE HANSEN



AFFILIATE OF THE YEAR
ROB BATES



VOLUNTEER OF THE YEAR
JAMES DILL



PRESIDENT'S CHOICE AWARD
VINCE ROCHA



NAR GOLD GLOBAL ACHIEVEMENT PROGRAM AWARD

For the second year in a row, SCCAOR's Global Investment Council was awarded the GOLD Global Achievement Program Award from the National Association of REALTORS®. The award recognizes and rewards the most active Associations in global business. To learn more about our Global Council, visit www.sccaor.com/global

FINANCIAL INFORMATION

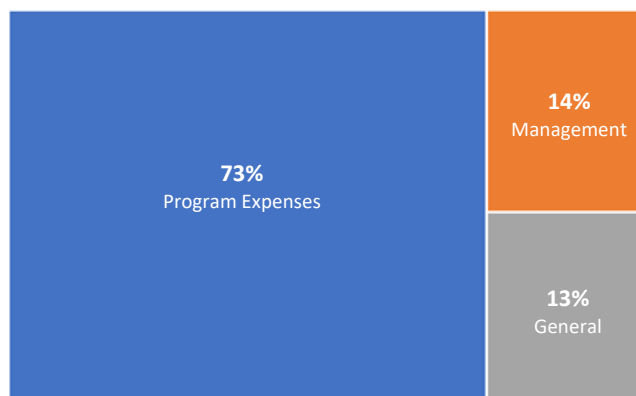
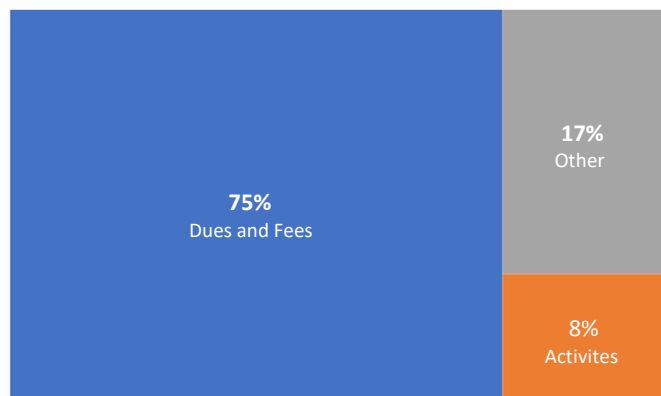
FINANCIAL HIGHLIGHTS (JANUARY 1- DECEMBER 31, 2017)

Revenue

Dues and Fees	\$ 2,218,683
Activities	245,931
Other	502,539
Total Revenues (*)	\$ 2,967,153

Expenses

Program Expenses	\$ 1,669,069
Management	322,253
General	309,531
Total Expenses	\$ 2,300,853



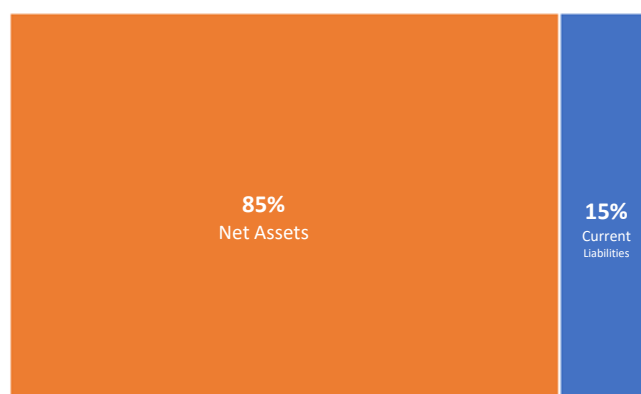
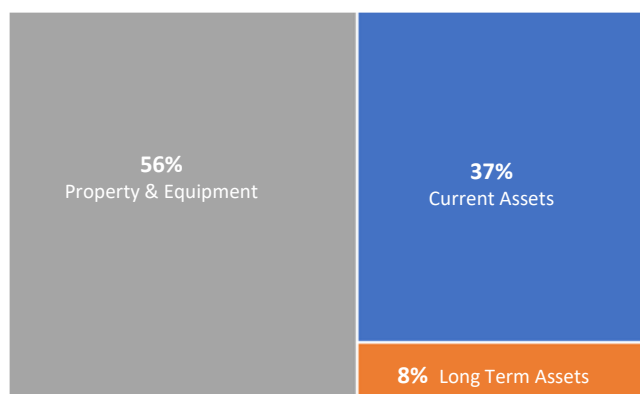
STATEMENT OF FINANCIAL POSITION (DECEMBER 31, 2017)

Assets

Current Assets	\$ 2,614,893
Long Term Assets	481,925
Property & Equipment	3,957,092
Total Assets	\$ 7,053,910

Liabilities

Current Liabilities	\$ 1,064,290
Long Term Liabilities	-
Net Assets	5,989,620
Total Liabilities & Net Assets	\$ 7,053,910



NOTES:

* Revenue does not include gain/loss from MLS Investment to reflect SCCAOR operating performance



The Santa Clara County Association of REALTORS®, established in 1896, is California's oldest and Northern California's largest real estate association. We represent about 6,000 REALTORS® and affiliate members. SCCAOR exists to meet the business, professional and political needs of its members and to promote and protect homeownership and private property rights.



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