# Gearing Up for 2026 With Kevin Brown

You're tuning into a special episode of Drive with NAR here in Boston, Massachusetts at NAR NXT, I'm James Dwiggins, the co-host of Real Estate Insiders Unfiltered, aka Dwiggy Dwiggins, along with my partner in crime, Mr. Keith Robinson, aka Mr. Crazy Uncle Keith. That's me. So we're doing a MC takeover here at the biggest real estate conference in the country. Yeah. Tell us about Mr. Kevin Brown, the 2025 president elect, and this incredible conversation we got to have with him.

Yeah. It's my first time ever getting to really talk to him. And he's such a deep thinker, which I really enjoyed. And he talked about what his leadership will look like and what's important to him for his term. He talked about 2025 and some of the headwinds and how we should prepare. We had a very thoughtful conversation around affordability and how important it is that we work diligently to solve the affordability issues for the first time. Home buyer. Really, really great conversation. You're going to dig it. Put it in your ears, kids.

Kevin, welcome to the show. We greatly appreciate you spending some time here. I know it's busy. So many people here in Boston, which is super exciting. And you and I know each other. We've known each other for a really long time. So, you know, this is how you're doing it now. You can call me Dwiggy now. Yes, yes. Thank you, Stefan, for that. Uh, so, uh, 44 years in real estate. 47. 47. Is it? Yeah. Um, California Association of REALTORS® president, countless NAR committees and incoming president for the National Association of REALTORS® in a very obviously interesting time for us to be in the business. Uh, I'm going to go to kind of a hard one. Just tell me, like, how you're gearing up for 2026. You know, what's the what's the plan? What what's what's the topics, etc.?

Well, you know, 2025 and 2026 should be very interesting. Um, you know, Kevin, to say the least. And it's kind of trial by fire, right? We've had all these attacks externally and some internally as well. And so it's kind of trial by fire. And I think I've learned a lot about our industry, how we at Na need to change. And so we're taking a really an internal look at a lot of the changes that we have to make. Um, before I think we were outwardly focused. We're a consumer centric organization, but I think we need to be a member centric organization and look internally. What is our value proposition? How are we getting that value proposition out to our members? So our members really understand what we're doing? We're gearing up. We're preparing. Uh, Kevin Sears has a back to basics mentality. It's the sports analogy. Yeah. And nothing I'm not going to change any of that. I'm going to be getting back to basics as well and continue that theme throughout the next two years.

So what is let me let me go a little bit deeper on that. So, you know, Kevin's obviously having a two year term. You guys have been doing a lot of going through a lot of difficult things, but there's more than you. There's more than just the both of you. You have an entire leadership team that's that's behind there of both volunteers. Nykia obviously coming in this year as well. Um. She's amazing. I got to spend some time with her. Um, and it feels like that there's a lot of movement to to shift the organization. Is that is that kind of the general consensus that you're feeling as well from? Yes.

There is. And I think that, um, how do we become more, uh, leaner and more efficient and how and, you know, of course, we had our settlement, so we're going to have less money to deal with. And so it's really forcing us to make some really, uh, good changes, really look at our, our organization and, you know, where can we find efficiencies but yet deliver top notch services to our members and also maintain a top notch advocacy program that's second to none. One of the things that in talking to Nykia, uh, she who is one of the smartest CEOs I've ever met. She's brilliant. Um, she has has come in and analyzed her organization. One of the things that she discovered is how siloed we are and how departments don't talk to each other. And so one of the things that she's working on now is trying to remove those silos. And how do we leverage, uh, having our departments talk to each other and work together to perform, you know, better as an organization? Yeah.

Well, I think she's the right person for the for the job, especially right now with her background. Yeah. Um, you know, when we've we've did an interview with her and we learned a lot on that interview about just, you know, her business background and the newspaper side, etc.. Um, I want to I want to ask you this, and I'll let Keith jump in here, too. We talk about the value of NAR, and we we emphasize this a lot. There's also an accountability that the members need to learn what their association is doing for them. Um, and I say that because the, the amount of work that happens. I think sometimes people don't appreciate sort of how much goes on to make this thing work. You know, we mentioned this in a, in a, you know, another guest here about like the 1099 status and how that's on the chopping block every year and just the amount of work that the team does for the industry. My question is what what do you think Nr needs to do continuing forward to help more people understand what is happening behind the scenes, so that they learn to appreciate all of that work more than what they have in the past? Sure.

Well, I think, number one, we need to do more outreach, and we're doing that. We're going out talking to agents, talking to associations at both the local and the state level. And when I go out, you know, I of course, we always have prepared remarks. But the most important part of that conversation is to sit down and listen and hear from the agents and be able to engage them in a way that makes them feel heard. And so that's one of my number one goals. And the second thing is to find different ways to deliver the information. You know nobody likes additional emails. No. Right. No. They don't like additional emails. When somebody tells me, hey, I'm going to email you, don't email me. Please don't. In fact, either call me, text me, or don't, you know, try to contact me at all. I like the one on one. I like the personal relationships and I. I know that a lot of people kind of shy away from that. They want to do everything by email, but we're looking for to deliver information in different ways. And I just talked to Suzanne Bahia today about different ways to get our message out there. Okay. We have this, this, these new consumer facts, consumer guides that we're giving out are great.

By the way.

They are great. They are great. But I have a feeling based on feedback I'm getting that the younger generation does not want to read this stuff right. They don't want to read it. So why don't we do reals? Yeah. Short form. Short form. Why don't we do short form content. Why don't we do it on Instagram or find some other medium to do it to track them, get their attention, get them interested so we can communicate with them better and they know what we're doing.

Yeah, that's a really good point. That's a it's a it's shifting to the different demographics and that only that may not work for all demographics either. So you still have to continue to do even carrier pigeon. You could try that to smoke signals maybe.

That's right. Yeah.

Yeah. That's Morse code. Yeah.

Yes. Yeah. Let's let's shift gears to 2024 now. Right. Or 2025 I'm sorry. So we've had some headwinds that we've been going through. There is a sense of optimism here. Uh, at at the Na conference, people seem excited. They're maybe cautiously optimistic about next year. What do you think are the challenges that are going to be next year? And how should an agent be shaping their business and shaping their mindset for 2025? Okay.

Well, you know, we have internal and external challenges, but I think that, you know, externally, um, you know, we have Significant, significant advocacy challenges with expiration of TCJA, the Tax Cut and Jobs Act of 2017. That's coming up. It's going to expire at the end of 2025 if they're extended. Um, our tax expert, Evan Lilliard, is saying that that's going to cost about $4 trillion. And I don't think either party has the the appetite to add $4 trillion to the budget. So there's going to be a lot of fair amount of horse trading. What I want agents to know is those incentives, the reason why buyers are buying a lot of times, especially first time buyers, is because of those incentives, because of of the write offs that they get. And and so we want to preserve that. We didn't really get have a win in 2017 because we had a cap on on the property tax deduction. Yeah. And we reduced the mortgage interest rate deduction from a million to to 750. But they but Congress wanted to reduce it to the House Ways and Means Committee wanted to reduce it to 500,000. And Na is able to get it up to 750. So we're going to have a lot of challenges there. And, you know, we want those incentives in place so that our members can continue to sell homes for first time home buyers and will be attractive.

And this is an example of where this advocacy kicks in, because we're it's a topic you're reading on on every news headline is both parties have no plan at this point on how they're going to, you know, cut the deficit and reduce the debt. And I guess the kind of the point you're making is everyone's going to be looked at for where to cut that, to get that money. Right. And this is where Na sticks in and really fights to, to make sure that we, we're protecting the people that this benefits.

That's right. For some reason they're always looking at us. It's a low hanging fruit. They come after our tax deductions for real estate. They come after um well they've.

They've gotten rid of most of the other ones. Right.

They come after the 1031 Change, which a lot of people. That's just for investors. But that is a job multiplier. And most people that sell things are trading up. They spend a lot of money. There's a lot of taxes that are paid in the sale and the transition. So we want to try to preserve these things.

Yeah. Uh, shifting just a little bit to like there's there's agents, a lot of them listening to this and for their business, for your personal sales business, you still sell. How are you thinking about your sales business for 2025? Maybe a skill that you want to level up or or a headwind that you're paying attention to or something that from an offering standpoint that you want to make sure you're providing. How are you thinking about your sales business for 2025, or how should an agent think about that?

Well, first, I think transparency, you know, we've had a lot of industry changes. We make sure that that the consumer understands it and that our members understand that that agents understand, you know, what they should be doing. They should not be doing things like, for instance, a settlement we're involved in And at first there was a lot of talk about, oh, I'll just get around this this way. There are no go arounds.

You know, also, just to add on top, you guys released two new to do list guides for buyers, agents and listing agents that came out maybe a week ago. And I wanted to give credit for it because it's very clear on what you should and should not do. Yes. And and I think that more people need to see that. So I want to give kudos to the team for really going, this is the way you need to do practice this business going forward to avoid, you know, future, future liability. I want to ask you a question. Just just because I've known you a long time, what would be your vision for where we are as an as an association and an industry at the end of your presidential term in 2026, roughly the timeframe? Like what would you what would you what would be your goal of what you'd want to see where we are, what the what what we're facing or what positive things are happening.

I'd like to see a solution for insurance. And that's a long term problem that's going to cost a lot of money. But I think I think that if anybody can kick start that conversation I think na can.

Mhm.

So, uh you're not one to shy away from a fight and neither is Keith. Which I've been on the receiving end of before.

Where are we boxing all of a sudden.

Yeah. No. Yeah. Um, you got gloves?

Oh, you want to go?

I don't want to go.

Kevin, don't. Don't do that. I've been on the receiving end of it. Um, so, uh, talk to us about, you know, um, like, give us a message. What would you tell? What would you tell the real estate professionals? Um, if we're in some of these fights, what what can they expect from you and your leadership team?

I will just say that, um, our industry is worth fighting for, and. And I know that, um, you know, you probably don't know a lot about my family history, but I'm only three generations removed from slavery. And I think that real estate has moved people from the lower class, from poverty into the middle class. And that's why I fight this fight. That's why I do what I do, because I've seen the transformative impact of home ownership. And, you know, I look at home ownership or real estate rather as a ladder. First time home buyer, move up buyer. Buyer that buys a second home buyer that buys an investment property. That's how Americans have moved into the middle class and beyond. Yeah. And that's worth fighting for. And that's what I'm. That's why I do this. Yeah.

Yeah, I do it. Well, we appreciate that.

Let me ask one. And we're off script a little bit, and I hope that's all right. But this one is something that I lose sleep over. It's the affordability issue specifically for the first time. Home buyer. Um, I don't know that that's something that NAR can necessarily solve. We might need the financial institutions and a whole lot of other things, but just share your thoughts on affordability specifically for the first time home buyer. What as an industry, what can we start to think about or do? Or what are you looking towards to try to solve that problem? Because it's a big. Sure. Share.

So affordability of course is related to to inventory. And we are working right now to to solve that problem. There are bills that we are supporting in Congress right now to put more homes on the market and also to create more inventory around the country. A lot of things are happening. It happens at the local level. I think I heard a statistic this morning that, um, about from Shannon, about 25% of construction costs or the new costs of the home is regulatory. Yeah. And so how do we remove remove some of those regulatory barriers? There's a bill that we're sponsoring, um, or supporting to, um, to decrease the equity penalty. When you sell a home, there's another bill that's more homes on the Market Act. There's another bill that we are looking at to convert office and commercial properties to mixed use properties and residential properties. So we have our eye on the affordability. We know that inventory is connected to affordability, and we're working hard at the state, local and national level. But a lot of this stuff, I mean, you know, uh, do we, you know, California. California is ground zero for affordability problem. That's affordability. Yeah.

That 25% is more like 40 some percent in California for for getting things off the ground. And a lot of.

People don't understand the problem. I mean, what what a lot of the politicians do is try to put a band aid on the problem, or they try to impose things like rent control and other things they think that doesn't solve. It's not going to solve the problem, because.

By the first time, buying a house is, for most folks, the largest wealth creation event that they ever have. That's right. And if we lose the first time home buyer marketplace, you're going to see the wealth gap continue to go the wrong. Right. Everything will continue to go the wrong direction. And as an industry, as a future president, uh, I'm so thankful that that this is something that matters to you deeply. Um, because it's it's the biggest thing that I lose sleep over with regards to our industry is that first time homebuyer affordability. And how do we help them get into homeownership? Because once they're in, they get all the benefits, right? They get all.

The safety, security, prosperity, intergenerational wealth, economic independence. That's what homeownership is. Yeah. And that's why we're fighting the fight. That's why I believe in beautiful.

Well, we.

Appreciate you being here. Thanks for everything that you do. And we're excited that you're going to continue to carry the torch after Mr. Sears. So appreciate you very much. Thank you.

Thanks for being here. Thank you.

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