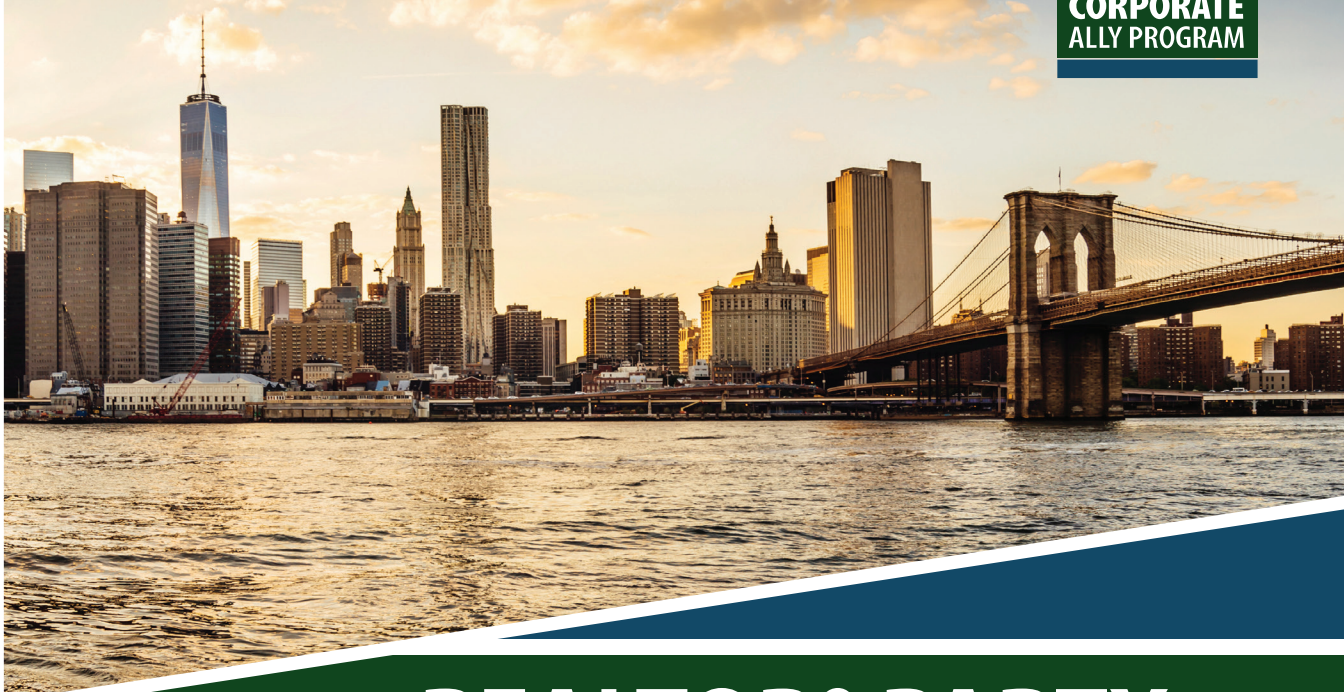




REALTOR® PARTY
**CORPORATE
ALLY PROGRAM**



REALTOR® PARTY **CORPORATE ALLY PROGRAM**



NATIONAL
ASSOCIATION *of*
REALTORS®





A NEW ADVOCACY PARTNERSHIP

The NATIONAL ASSOCIATION OF REALTORS® has created an unprecedented advocacy partnership with its extended real estate corporate family to raise voluntary soft dollar (corporate) funds that we can invest in issue and candidate campaigns at the local, state and federal levels.

Under this partnership, the Corporate Ally Program (CAP) provides you with the flexibility to invest corporate dollars to support the REALTOR® Party Issues and/or the REALTOR® Champions Independent Expenditures Candidate programs.

WHY IS THIS NEW ADVOCACY PARTNERSHIP NECESSARY?

The 2010 Citizens United Supreme Court decision dramatically increased the costs to protect and advance the business interests of real estate companies and other members of the organized real estate community at the federal, state and local levels.

While individual investments to political action committees—*hard money*—are still highly regulated, this ruling opened the floodgates for the unlimited use of corporate dollars—*soft money*—to influence elections.

As a result, the REALTOR® Party and the REALTORS® Political Action Committee (RPAC) can no longer rely solely on the strength of our grassroots power to compete and be effective.

NAR AND YOU

Thanks to your participation as a Corporate Ally investor, NAR will have the additional resources it needs to help address the most important federal, state and local issues facing the national real estate community through issues and candidate campaigns made possible by the REALTOR® Party's Corporate Ally Program.

Brokers

Through independent expenditure campaigns, the Corporate Ally Program supports national, state and local REALTOR® Champions running for public office. CAP has your back on issues as well.

The Mortgage Interest Deduction (MID) continues to be under attack. Tax reform plans designed to redirect the current benefits of homeownership or to simplify the tax system could result in diminishing or eliminating tax incentives to own a home for large numbers of Americans.

The IRS currently allows taxpayers to take deduction for real estate taxes paid to state, local and foreign governments. The state and local tax deduction is a key benefit of homeownership. Some lawmakers in Congress have proposed repealing state and local tax deductions to supplement government budget deficits.

Credit policies adopted by the lending industry, Fannie Mae, Freddie Mac and federal regulators in the wake of the market recession affect mortgage capital availability, and the homebuyers' ability to qualify for a mortgage. The result has been excessively tight underwriting criteria. Unless buyers have extremely good credit, it can be very difficult for them to be approved for a mortgage.

MLS and Technology Vendors

Copyright protection, patent reform, data security and net neutrality are vital to the preservation and growth of your business. As an investor in CAP, you strengthen REALTOR® Party advocacy to advance these issues on your behalf.

No matter which sector of the real estate industry your business is in, the Corporate Ally Program is your partner in advocacy to help safeguard and defend you from the U.S. Congress and state capitals and town halls across the country.

HOW TO INVEST IN THE CORPORATE ALLY PROGRAM

The Corporate Ally Program offers investment options customized to your sector of the real estate industry. MLS investors are requested to budget and allocate annually corporate funds based on \$1/per subscriber. Real estate brokerage investors are requested to budget and allocate annually corporate funds based on closed transactions based on their choice of \$1, \$0.75, or \$0.50 per closed transaction. Other corporate investors are requested to budget and allocate annually corporate funds based on a percentage of gross revenue.

The Corporate Ally Program permits investors to choose how their investment(s) are used:

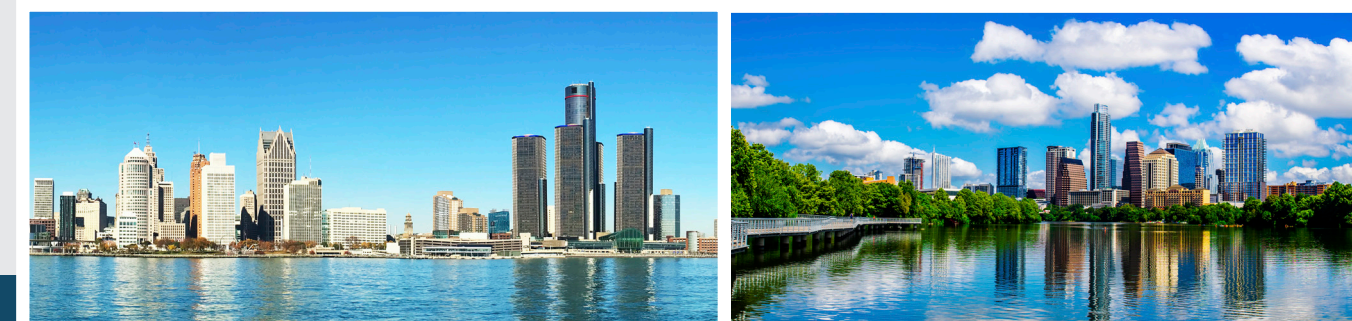
- 1) **Candidate Independent Expenditure Campaigns (IEs)**—Your investment is used to provide funding for federal IE campaigns. Your investment also enables NAR to allocate an additional amount equal to 50 percent of your investment for use in supporting state and local REALTOR® Party candidate champions in your state.
- 2) **Issues Advocacy Campaigns**—Your investment will help provide funding for federal issues advocacy campaigns. Your investment also enables NAR to allocate an additional amount equal to 50 percent of your investment for use in supporting or defeating state and local REALTOR® Party issues within your state.
- 3) **Both Candidate IE AND Issues Advocacy Campaigns**—Your investment can be divided equally between both. (Please write two equal checks, one each to the appropriate program). One half of your investment will be used by each of the two programs as described above. For more details, see the Disclosures Section below.

Investments Are Not Tax Deductible

All contributions are non-deductible for federal income tax purposes.

How to Make an Investment to the Corporate Ally Program

- For investments directed to Candidate Independent Expenditures – make your corporate payable to “NAR Congressional Fund”
- For investments directed to support advocacy of important real estate issues – make your corporate check payable to “NATIONAL ASSOCIATION OF REALTORS® – Issues”
- Checks should be sent to: 430 N. Michigan Ave, Chicago, IL 60611
Attn: Karen Paschal – Finance



DISCLOSURES FOR CORPORATE ALLY INVESTMENTS

All investments are non-deductible for federal income tax purposes.

Candidate Independent Expenditures - If you elect to have your investment used in connection with the support of candidates it will be deposited and reported as a contribution to the NAR Congressional Fund and used to support federal REALTOR® Champions in Congress. Your investment will also enable NAR to allocate an additional amount equal to 50% of your investment for use in supporting state and local REALTOR® Champions in your state(s).

Issues Advocacy Campaigns - If you elect to have your investment used to support advocacy of important real estate issues, 50% of the investment will be used by NAR in connection with its Public Issues Advocacy program and 50% will be used in your state(s) to assist NAR to support advocacy of state or local issues. Some of the state and local issue advocacy activities for which your investment may be used may require that your investment be reported to the state or local campaign finance regulator as a contribution to a state or local committee engaged in such activity. In such cases NAR will advise you in advance that your investment will be reported in this manner.

Reporting Requirements for Expenses in Soliciting Corporate Ally Program Contributions for Candidates.

Any direct or indirect expenses your firm incurs to solicit or encourage franchisees, subsidiaries, or affiliates to contribute to the Corporate Ally Program for use for candidates constitute in-kind contributions to the NAR Congressional Fund, and should be determined, recorded and provided to NAR for reporting to the Federal Election Commission.

Record all direct expenses associated with such solicitations, such as the costs of stationery, postage or other supplies used in distributing solicitation materials, or direct expenses associated with conducting meetings or events to solicit such contributions.

Compute and report to NAR the in-kind or indirect costs of compensation paid to corporate employees engaged on company time to create and distribute Corporate Ally Program solicitations, or organizing and conducting meetings or other activities where Corporate Ally Program candidate contributions are requested or encouraged. Also report such costs, if any, associated with collecting and forwarding to NAR any Corporate Ally (candidate) contributions received.

Employees engaged in such activities on company time using company resources should record the amount of their time spent on such activity, an appropriate value should be assigned to that time based on the compensation paid to those various employees, and those amounts and the amounts of any direct out of pocket expenses incurred in such activities should be reported to NAR promptly after such expenses are incurred.

Conversely, uncompensated volunteer time by corporate executives or other employees on their own time and not utilizing corporate resources do not constitute reportable contributions.

FOR MORE INFORMATION, VISIT:
RealtorActionCenter.com/CorporateAlly
or, contact:



Paula Martino
(202) 383-1156
pmartino@realtors.org

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