The Parker Principles: A Real Estate Manifesto

On the final day of Inman Disconnect, attendees came together to distill all of the conversations and debates over the course of the event into a series of actionable principles and to make a commitment to the real estate industry, real estate consumers and one another to act decisively to enact change.

“We have talked too long and we have done too little,” said top producer and real estate broker owner John Aaroe to the group. “Let’s not talk about it another 20 years. Let’s do something about it.”

The gathering kicked off with a call to action to consider the consumer above all, which set the tone for the rest of the discussion on improving the real estate transaction; setting standards for competency and ethics; working to build more entry-level homes; breaking down barriers to property data; and equipping brokerages and organizations with diverse leaders who better represent the communities they serve and approach problems from fresh angles.

The following 12 principles — unofficially dubbed the Parker Principles — were unanimously agreed on by the cohort of startup entrepreneurs; disruptive company founders; top-producing practitioners; owners of brokerages big and small; coaches; executives across new and old franchisors; MLS and association leaders; big data experts; and technology giants.

Leaders from every corner of the industry joined forces to craft an agreement. National Association of Realtor’s president Elizabeth Mendenhall standing alongside Opendoor co-founder Jd Ross, Compass president Leonard Steinberg, Zillow COO Amy Bohutinsky, @properties co-founder Mike Golden, BH&G CEO Sherry Chris, Coldwell Banker Chief Marketing Officer David Marine, Austin broker-owner Jonathan Boatwright, Atlanta top producing agent Kendall Butler and nearly 200 other real estate representatives.

“More than 1/3 of our participants were new faces to the leadership discussion, working agents, brokers and entrepeneurs who raised their hands and said ‘I want to change the industry’,” said Inman publisher Brad Inman. “This is the new guard — get ready.”

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But the work has only just begun in refining and executing these ideas. The issues aren't simple, and the devil will be in the details. We'll continue to track the industry's progress and execution of these promises and tell the stories of those who are implementing them in their own businesses and communities.

1. Transform our industry from a sales profession to a service business

Incentivize real estate agents to focus on quality and service over volume and sales by obsessing over the needs of the consumer to drive innovation and best practices.

2. Simplify the process of buying and selling a home

We must make the transaction smoother and simpler throughout the process. Create more transparent transaction management tools to give consumers a better and more certain experience.

3. Create a transparent chain of industry accountability to benefit the consumer

From associations/MLSs to brokers, brokers to agents, and brokers and agents to consumers, we must hold the industry to a higher standard of service, transparency and responsibility. The core of accountability is transparency across the industry.

4. Strictly enforce ethical standards to increase professionalism

We as a profession owe it to the consumer to establish — and maintain and enforce — the highest standards of ethical behavior. We must invest in mid-level real estate manager training; refocus culture and policies toward quality and service above recruiting and retention in the brokerage; and establish better peer-based enforcement mechanisms to weed out bad apples.

5. Raise the quality of real estate services to create a delightful and more certain consumer experience

We must take ownership of competency. Create better and more experiential educational systems such as apprenticeships that allow unproductive agents to learn from peers, as well as higher and more meaningful standards in licensing/accreditation. Ensure more transparent information to consumers to allow them to evaluate real estate professionals and be more selective in choosing an agent.

6. Demand real estate associations be more transparent and impactful

We should create a culture and process that ensures every association member has an equal opportunity to be fully informed of key issues and to lead the organization. Focus money and effort on creating a healthy real estate market. Simplify the association’s role to a focus on creating opportunities for agents to sell more real estate. Encourage agents to take a more active role in their communities to make a difference in housing costs and community quality of life.

7. Free up property data feeds and remove barriers for innovators

We should create a world where property data can be used, reused and broadly distributed. Remove artificial and overly protective barriers to property data access and utilization via a universal licensing agreement. Remove artificial barriers to new ideas, inventions and business models that improve the real estate experience.

8. Insist on diversity in real estate leadership

We must create an industry proudly known for inclusion and diversity. In the boardrooms, in the executive suite, on stages and in strategy gatherings, the industry at the top must reflect the overall diversity of business. A new generation of leaders are ready to take over and they should be celebrated and empowered to do so.

9. Fight for more “available” housing

We must bring key stakeholders to the table including builders, policymakers, associations and real estate professionals to build more entry-level units and mixed-housing projects to create more balanced, affordable markets and bring relief to the many Americans on the verge of homelessness.

10. Make our communities better places to live and work

We should use our influence as real estate leaders to give back and advocate for and support education (even if it means higher taxes), marginalized communities and policy that will promote affordable housing and access to homeownership in the long term.

11. Selflessly give back to the world through service

We must recognize the importance of building service into our companies, organizations and our brand to authentically give back to the world beyond our own community.

12. Stand up to climate change and prepare for natural disasters

The industry must stand up for sustainability and commit to disaster preparedness. The industry should equip their clients with the knowledge to be responsible in using natural resources wisely and supporting a sustainable community. We must make sure that our teams and their clients have taken the steps to be resilient in the face of extreme weather events and emergencies. We must be transparent with clients about the threats of nature, fully disclosing changes in the environment.

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