

California REALTORS[®] Governance Review & Recommendations

September 2026

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Background & Approach



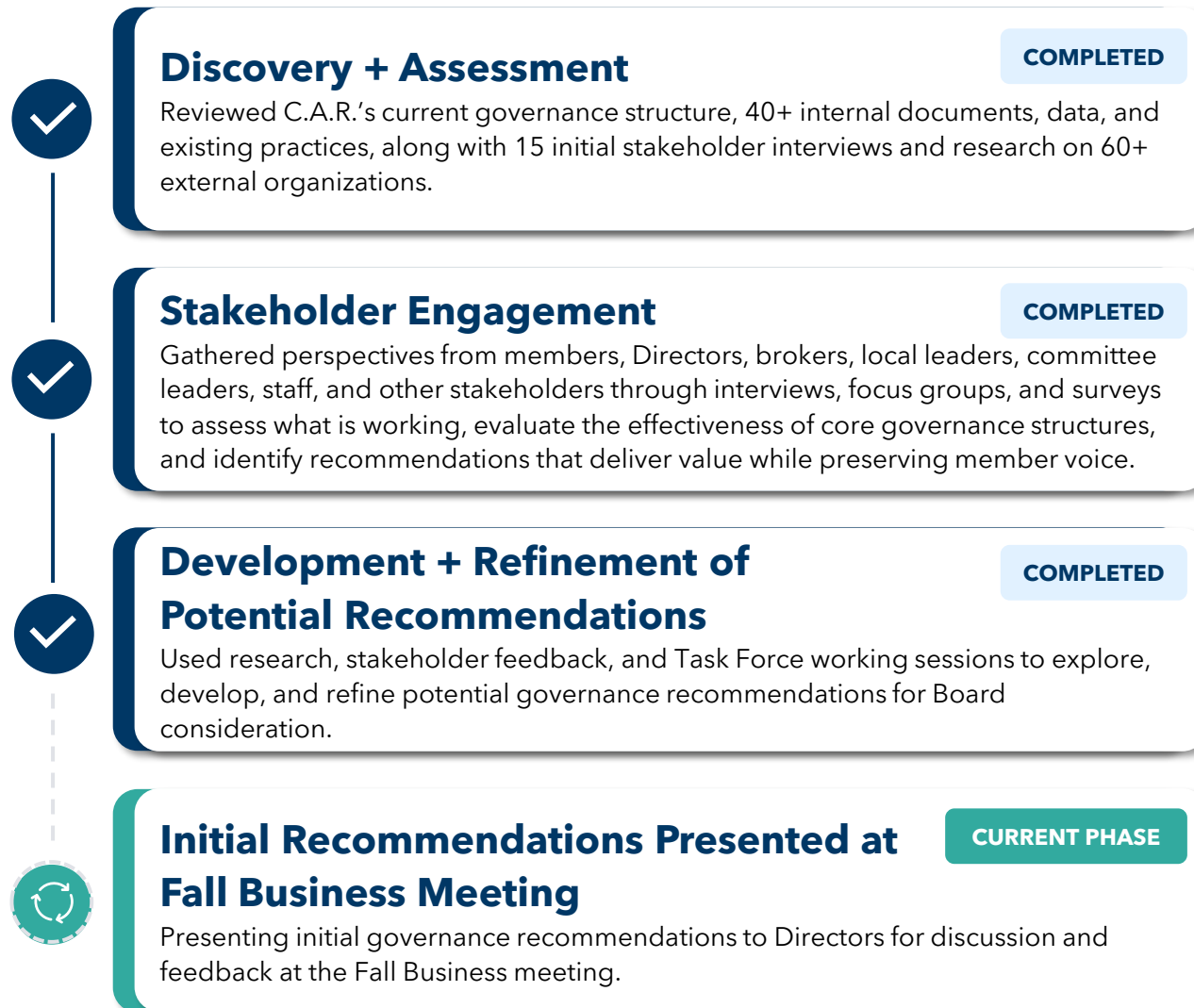
C.A.R.'s governance review: years in the making

Tracing the strategic planning milestones that led to today's governance review effort



Governance review: a multi-layered process

Recommendations have been informed through ongoing collaboration across four groups



GROUP	ENGAGEMENT METHOD
Governance Task Force Advisory	Weekly working sessions with Task Force Co-Chairs and Staff to review findings, test concepts, and refine approaches
Governance Task Force	A 15-member Task Force engaged through 4-5 meetings and workshops to review member feedback, test concepts, and co-create governance recommendations
Members	20 Stakeholder Council focus groups with 160+ individuals invited; an all-member survey sent to ~180K members, generating 1.8K responses; 107 Regional Chair survey responses; and open feedback channels to validate perspectives and test concepts
Slalom	Research, facilitation, analysis, and synthesis of stakeholder feedback

Governance review *working groups & stakeholders*

Governance Task Force

Jennifer Branchini - Chair

- Anthony Andaya
- Sabrina Brown
- Elizabeth Campbell-Chase

- Annette Coffey
- Cindy Diaz-Telly
- Lisa Fore

Erin Stumpf - Chair

- Sarah Ireland
- William "Bill" Jansen
- Cheryl Keller

- Eugene Pak
- Phillip Schaefer
- Thomas Swanson
- Mike Vachani

Governance Task Force Advisory Group

Jennifer Branchini - Chair

Annette Coffey

Brian Manson

Emily Horn

Phil Hawkins

Sara Sutachan

Erin Stumpf - Chair

Stakeholder Councils

160+ stakeholders invited to participate in 90-minute sessions across the following groups:

Extended
Leadership Team

Brokers

Committee Leaders

Emerging Leaders

Local Association
Executives

Local Leaders

Directors

Past Presidents

Governance Recommendations



Governance recommendations

Based on the challenges identified by members, the Governance Task Force is moving forward with **three proposed areas of recommendations** that advance C.A.R.'s 2026-2028 Strategic Priority 4: enabling C.A.R. to be **nimble and adaptable through effective governance and inclusive leadership**. Regional structure and committees will be reconsidered at a future date.

PHASE 1 - PURSUE NOW

The Task Force aligned on moving forward with the following three recommendations now, for review at the Fall Business Meeting and potential vote at the Winter Business Meeting, depending on member feedback

01

Board of Directors Composition

Update the local AOR allocation formula and revise key appointed roles to create a smaller, more nimble governing body.

02

Director Qualifications

Add criteria for active industry participation and experience to drive more consistency in Director qualifications and readiness.

03

Executive Committee Design

Make targeted improvements to terms, selection processes, and composition to ensure the right mix of experience and background needed for leadership advisory.

PHASE 2

To be re-considered in 2027, based on outcomes of Phase 1

04

Regional Structure & Committees

Based on the outcome of proposed Board of Directors changes, re-visit changes to regional design - including a potential re-draw of the map - and committee structure.

01 Board of Directors composition

RECOMMENDATIONS

- Change local AOR allocation formula to a base of 1 seat + 1 seat per 750 members (2 year merger transition period)
- Review local AOR allocation formula in conjunction with Strategic Plan development
- Discontinue new Director-for-Life appointments; re-evaluate how high-contributing members are honored and the criteria for the CDRA award
- Extend existing Director attendance requirement to apply to Directors-for-Life
- Remove requirement to appoint Local President
- Remove Immediate Past Regional Chairs as automatic Board seat

RATIONALE FOR CHANGE



Members want change. About 50% of focus group and survey respondents felt the size of C.A.R.'s Board makes it difficult to govern effectively (compared to 15-26% who disagreed), and ~70% of survey respondents who expressed an opinion felt Board size should decrease.



Balances efficiency with representation. The proposed changes respond to member calls for a meaningful, but not overly aggressive, reduction in Board size while preserving proportional representation and creating a more nimble and adaptable governance model that advances C.A.R.'s Strategic Priority 4.



Reduces financial burden. The proposed reduction could save local AORs ~\$1.5M annually in Director travel costs, currently estimated at ~\$8.5K per Director, while opening opportunities to consider more cost-effective meeting venues.

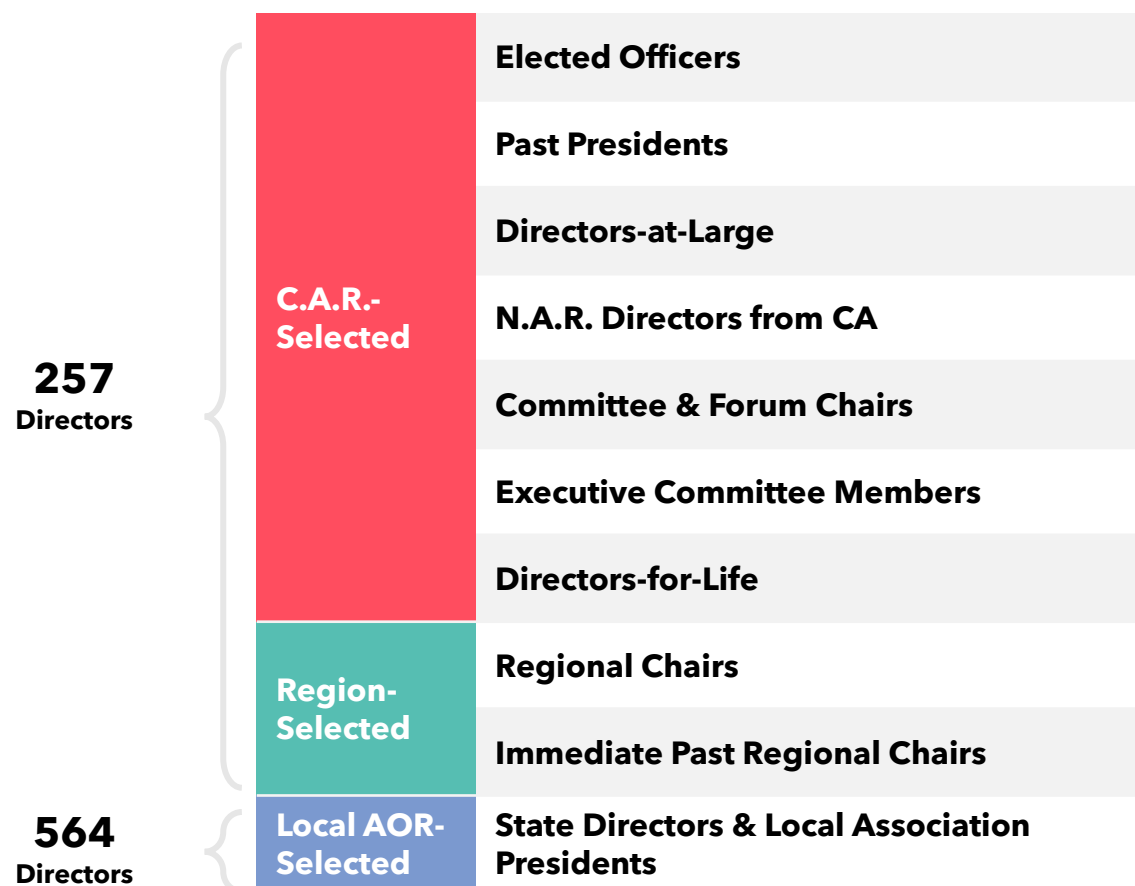


Makes Board composition more intentional. Reducing automatic and permanent seats gives greater weight to active engagement and encourages more thoughtful selection of who is best positioned to serve.

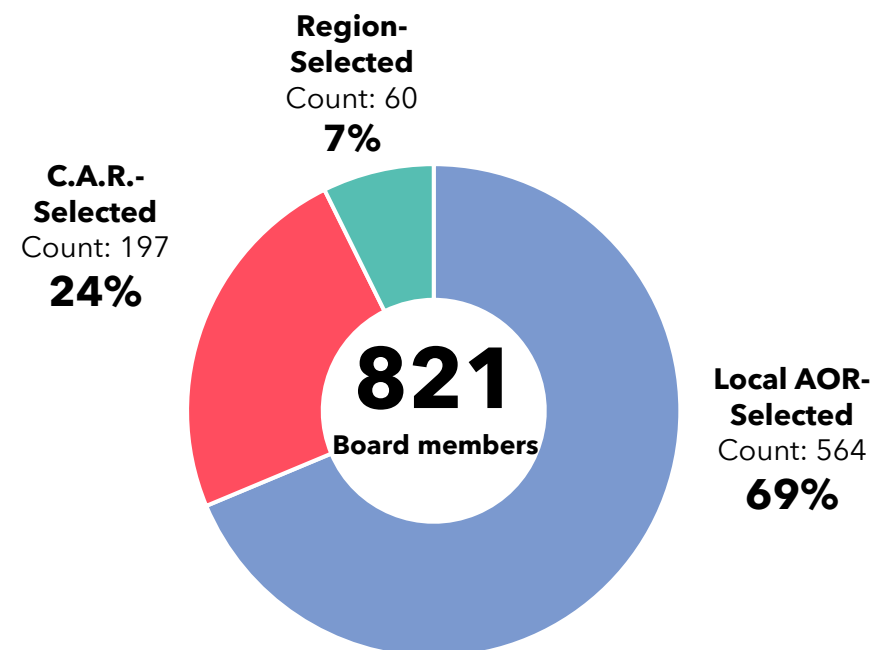
01 Board of Directors composition

The Board comprises multiple roles that qualify a member as a Director. Almost two-thirds of Directors hold State Director or Local Association President as their *primary* qualifying position, while the remaining Directors are distributed across other roles and may wear multiple hats.

Qualifying Director Positions



C.A.R. Board of Directors



Source: C.A.R. Board of Directors Roster (July 2026).

01 Board of Directors composition

The proposed adjustment to the local AOR allocation formula - coupled with small changes to other Director positions - would reduce the overall Board size by ~38% overall and by ~21% compared to current attendance levels of ~650 Directors per meeting.

AOR INFORMATION				CURRENT STATE		FUTURE STATE	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
<1,000	52	10%	150	142	25%	57	20%
1,000-4,999	33	45%	338	255	45%	118	42%
5,000+	10	45%	337	167	30%	109	38%
Total Local AOR Seats	95	100%	825	564	100%	284	100%
Additional Directors*				257		227	
Total Board				821		~511	

How this works

Replaces the current allocation formula with a base + tier model. **Each association receives 1 seat, plus 1 additional seat for every 750 members** (based on April 1 member count; date currently used for allocation). For example:

- 1-749 Members → 1 Director
- 750-1,499 Members → 2 Directors
- 1,500-2,249 Members → 3 Directors
- 2,250-2,999 Members → 4 Directors
- Etc.

Removes 30 Immediate Retiring Regional Chairs
from the 257 additional Director count*

***Includes:** Elected Officers, Past Presidents, Directors-at-Large, Directors-for-Life, Committee and Forum Chairs, Executive Committee Members, NAR Directors from CA, Regional Chairs, and Immediate Retiring Regional Chairs. Count based on 2026 Board roster; number may fluctuate year over year.

02 Director qualifications

RECOMMENDATIONS

Add the following two criteria for Directors:

- Active industry requirement (see next slide)
- Experience requirement (see next slide)

Note these would be ***in addition*** to current requirements that Directors are members of C.A.R. and hold an active qualifying license

RATIONALE FOR CHANGE



Members want a higher bar. ~80% of focus group and survey respondents supported adding an active industry requirement for Directors.



Keeps Board decisions connected to today's market. Requiring active industry involvement helps ensure Directors bring current perspectives on the issues facing members and the profession.



Raises readiness without narrowing the pathway too much. The proposed criteria recognize a broad range of industry roles and prior experience as qualifiers, supporting inclusive leadership.



Supports quality over quantity. As Board seats become more limited, clearer qualifications help ensure each seat is filled by someone prepared to participate and contribute meaningfully, strengthening effective governance.

02 Director qualifications

The Task Force developed the following draft criteria for the proposed active industry and prior experience requirements. Note these would be *in addition to* current requirements that Directors are members of C.A.R. and hold an active qualifying license. *Draft criteria are pending finalization and legal review.*

ACTIVE INDUSTRY REQUIREMENT

All Directors must be actively practicing in the real estate industry in California. "Active" may include **at least one of the following**:

- ☐ Broker/Owner operating or overseeing a real estate brokerage
- ☐ Office Manager managing real estate office operations and/or supervising agents
- ☐ Transaction Coordinator supporting active real estate transactions
- ☐ Professional Property Manager managing residential, commercial, or investment properties for clients
- ☐ Appraiser or Broker Price Opinion practitioner performing real estate valuation work
- ☐ Lender supporting real estate financing or mortgage activity
- ☐ Real Estate Attorney
- ☐ Sales Associate representing clients, with a minimum of 10 transactions in the last 3 calendar years or 4 transactions in the last calendar year

EXPERIENCE REQUIREMENT

Within the last five years, all Directors must have done **at least one of the following**:

- ☐ Served on the Board of a local AOR
- ☐ Served as an active member in a local AOR, C.A.R., or NAR committee within the last year
- ☐ Served in a leadership role in another trade association or NAR-affiliated institute, society, council, or another multicultural council
- ☐ Held elected or appointed public office in their community
- ☐ Served as an SPC / FPC
- ☐ Held MLS board or MLS leadership experience

And/Or:

- ☐ Currently serves as an active Broker-Owner or Broker of Record in California

03 Executive Committee *design*

RECOMMENDATIONS

- Establish 2-year staggered terms for Executive Committee members
- Shift appointment authority from the President only to the full Leadership Team (to reflect current practice)
- Remove the requirement to include 1 former Regional Chair (requirements to include 1 current Regional Chair and 1 local AE remain in place)
- Add: the following competency requirements must be met by at least 1 member at time of appointment*:
 - 1 member with MLS Board or leadership experience within last 5 years
 - 1 member who served as Chair of a C.A.R. policy committee within last 5 years
 - 1 current small brokerage owner/office manager
 - 1 current large brokerage owner/office manager

RATIONALE FOR CHANGE



Improves continuity during leadership transitions: Staggered terms help preserve institutional knowledge and maintain momentum as leadership changes from year to year, supporting more effective governance.



Broadens input into leadership decisions: Involving the full Leadership Team in appointments creates a more balanced approach to selecting members for a committee that guides the organization between Board meetings.



Aligns expertise to organizational needs: Competency-based criteria help ensure the Executive Committee includes members with the skills and experience needed to address complex strategic issues between Board meetings.

*Do not have to be distinct members; i.e., one member may fill multiple requirements

Governance recommendations *roll out plan*

The Task Force recommends a phased rollout that gives members the opportunity to review, discuss, and provide feedback on the proposed Phase 1 recommendations before a formal vote is taken.

Prepare recommendations

- Finalize Phase 1 recommendations
- Socialize recommendations and gather member feedback and questions pre-Board meeting

Socialize and refine

- Present recommendations at Business Meetings
- Draft Bylaws redlines
- Socialize recommendations at Leadership EDGE
- Office Hours for Q&A or feedback

Provide notice

- Provide formal notice of the Bylaws package to Board (min. 30 days in advance of Winter Business Meeting)

Board vote

- Members vote on Bylaws changes at Winter Business Meeting

September

October

November

December

January

Learn *more*

Upcoming Office Hours with Task Force Co-Chairs:

- Wednesday, September 30th from 1-2 pm
- Thursday, October 1st from 3-4 pm
- Friday, October 2nd from 9-10 am

Explore the C.A.R. Governance Review Resource Hub:

- Latest updates and upcoming meetings
- Recordings of prior updates, presentations, Town Halls, and bonus Q&As with the Task Force Co-Chairs
- Why the Governance Review matters
- Governance Review timeline and next steps
- Frequently asked questions
- Submit questions and feedback

C.A.R. Governance Review Resource Hub
<https://www.car.org/meetings/carmetings/governancereview>



APPENDIX A

Detailed Allocation Data

*Provides more detail on the recommended
changes to local AOR Director allocation*



Local AOR allocation: current vs. proposed base + tier model

In the Task Force's proposed model, associations receive 1 seat, plus 1 additional seat for every additional 750 members. Seats were determined using **4/1/26 membership** and represent only **local AOR-appointed seats** (284 total); they do not include the 257 regional- and C.A.R.-appointed seats.

Association	ALLOCATION		
	Membership	Current	Proposed
Orange County REALTORS®	12,279	53	17
Greater Los Angeles REALTORS®	9,371	41	13
Pacific West AOR	9,301	40	13
Greater San Diego AOR	9,253	40	13
Southland Regional AOR	8,428	36	12
Citrus Valley AOR	6,065	26	9
California Desert & Inland Gateway	5,971	26	8
Sacramento AOR	5,932	26	8
Bay East AOR	5,725	25	8
Santa Clara County AOR	5,528	24	8
Silicon Valley AOR	4,275	19	6
North San Diego County AOR	3,987	17	6
South Bay AOR	3,982	17	6
Southwest Riverside County AOR	3,745	16	5
San Francisco AOR	3,644	16	5
Fresno AOR	3,521	15	5
Inland Valleys AOR	3,438	15	5
Contra Costa AOR	3,392	15	5
Placer County AOR	3,361	15	5
Pacific Southwest AOR	3,242	14	5
Greater Downey AOR	3,002	13	5
North Bay AOR	2,922	13	4
West San Gabriel Valley REALTO	2,786	12	4
Central Valley AOR	2,658	12	4
San Mateo County AOR	2,557	11	4
Tri-Counties AOR	2,242	10	3
Bakersfield AOR	2,061	9	3
Lodi AOR	1,918	8	3
Bridge Association of REALTORS	1,889	8	3
Pasadena Foothills AOR	1,864	8	3
Arcadia AOR	1,772	8	3
Ventura County Coastal AOR	1,636	7	3
Conejo Simi Moorpark AOR	1,559	7	3

Association	ALLOCATION		
	Membership	Current	Proposed
Greater Antelope Valley AOR	1,435	6	2
Rancho Southeast AOR	1,376	6	2
Glendale AOR	1,333	6	2
Santa Cruz County AOR	1,248	5	2
Newport Beach AOR	1,246	5	2
Monterey County AOR	1,210	5	2
Tulare County AOR	1,189	5	2
Santa Barbara AOR	1,154	5	2
High Desert AOR	1,141	5	2
Marin AOR	1,117	5	2
Greater Palm Springs REALTORS®	963	4	2
Northern Solano County AOR	874	4	2
El Dorado County AOR	866	4	2
Malibu AOR	777	3	2
Delta AOR	755	3	2
Burbank AOR	689	3	1
San Luis Obispo Coastal AOR	682	3	1
Shasta AOR	663	3	1
Pismo Coast AOR	592	3	1
Sierra North Valley REALTORS®	588	3	1
Palos Verdes Peninsula AOR	544	3	1
Solano AOR	532	3	1
Tahoe Sierra BOR	531	3	1
Sutter-Yuba AOR	500	3	1
Merced County AOR	500	3	1
Laguna BOR	493	3	1
Nevada County AOR	452	3	1
North San Luis Obispo Co. AOR	413	3	1
Humboldt AOR	408	3	1
Montebello District AOR	385	3	1
Los Angeles Southwest AOR	367	3	1
Yolo County AOR	360	3	1
Santa Maria AOR	355	3	1

Association	ALLOCATION		
	Membership	Current	Proposed
Inglewood BOR	316	3	1
Mountain Resort AOR	283	3	1
Tuolumne County AOR	268	3	1
Imperial County AOR	256	3	1
South Tahoe AOR	251	3	1
Kings County BOR	235	3	1
Calaveras County AOR	226	3	1
Lake County AOR	224	3	1
Joshua Tree Gateway			
AOR	199	3	1
San Benito County AOR	149	3	1
Amador County AOR	141	3	1
Tehama County AOR	136	3	1
Siskiyou AOR	130	3	1
Tehachapi Area AOR	126	3	1
Mammoth Lakes BOR	125	3	1
Santa Ynez Valley AOR	118	3	1
Madera AOR	117	3	1
Ridgecrest Area AOR	112	3	1
Oroville AOR	103	3	1
Plumas AOR	101	3	1
Coastal Mendocino			
AOR	87	2	1
Del Norte AOR	87	2	1
Lompoc Valley AOR	80	2	1
Ojai Valley BOR	65	2	1
Paradise AOR	44	2	1
Mariposa County BOR	40	2	1
Trinity County AOR	32	2	1
Lassen AOR	22	2	1
REALTORS® Comm			
Alliance of OC	6	2	1

Local AOR allocation: *current vs. proposed base + tier model*

In the new model, associations receive 1 seat, plus 1 additional seat for every additional 750 members. Seats were determined using **4/1/26 membership** and represent only **local AOR-appointed seats** (284 total); they do not include the 257 regional- and C.A.R.-appointed seats.

Region	AORs	Membership	ALLOCATION	
			Current	Proposed
1	2	495	5	2
2	9	1,819	24	9
3	9	14,171	68	23
4	6	5,756	30	11
5	2	4,147	18	7
6	2	7,614	33	11
7	6	3,833	26	9
8	1	3,644	16	5
9	1	4,275	19	6
10	3	2,607	13	5
11	7	4,967	29	12
12	6	7,249	38	13
13	3	4,969	22	8
14	2	7,183	31	10
15	2	6,083	29	9

Region	AORs	Membership	ALLOCATION	
			Current	Proposed
16	2	8,851	38	13
17	3	10,515	47	16
18	2	9,117	39	13
19	1	5,528	24	8
21	3	4,842	23	8
22	3	4,763	22	8
23	2	11,543	50	16
24	1	9,253	40	13
25	1	2,557	11	4
27	5	3,183	20	7
28	2	1,219	7	3
29	1	3,987	17	6
30	1	3,242	14	5
31	3	1,687	9	3
32	4	14,024	63	21

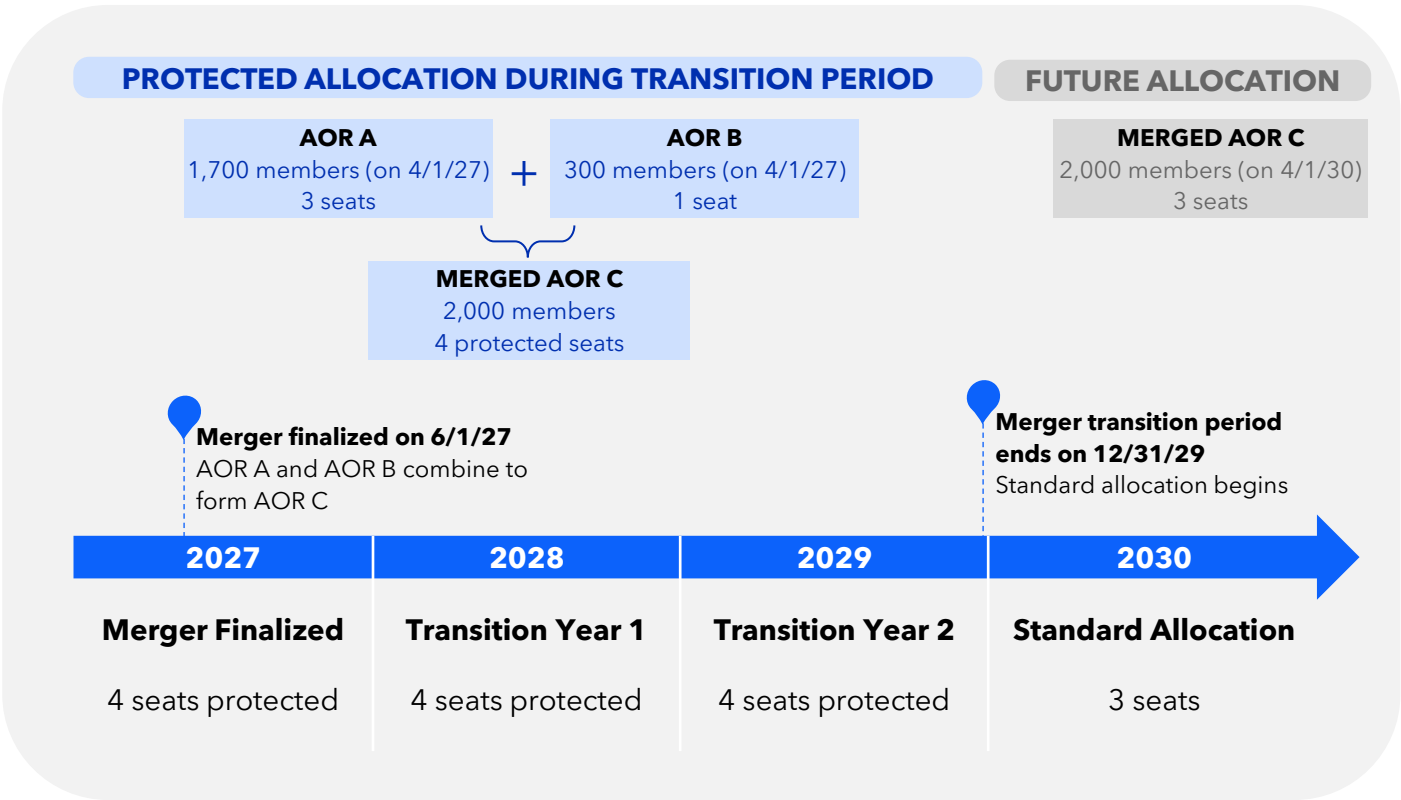
Local AOR allocation: merger transition

A merged association *may* retain the combined director allocation that its merging associations would have received separately, for the remainder of the calendar year in which the merger was finalized and the following two calendar years.

How it works

- **Transition period:** Applies for the remainder of the calendar year in which the merger is finalized and the following two calendar years. Thereafter, Director allocation is based on the merged association’s combined membership.
- **Protected allocation:** In each transition year, the merged association receives the combined number of seats the merging associations would have received separately, under the allocation formula in effect under the Bylaws for the current year.
- **Membership basis:** For pre-merger association membership counts, use April 1 membership in the year of the merger. If the merger is finalized before April 1, use membership as of the day before the merger was finalized.

Example



APPENDIX B

Current State Snapshot

Illustrates how C.A.R. governance is structured today, based on C.A.R. data and documentation; member perspectives are covered in Appendix C



C.A.R. membership footprint

C.A.R. is made up of almost 100 local associations ranging in size from fewer than 100 members to over 10,000.

C.A.R. BY THE NUMBERS

179K+

REALTOR[®]
Members

30

Regions¹

95

Local
Associations²

~1,885

Average Local
Association Membership

LOCAL ASSOCIATIONS BY MEMBER COUNT

UNDER
500
MEMBERS

Association
count: 37

Members:
~7.5K

500-999
MEMBERS

Association
count: 15

Members:
~10.3K

1,000 -
2,499
MEMBERS

Association
count: 18

Members:
~28.0K

2,500 -
4,999
MEMBERS

Association
count: 15

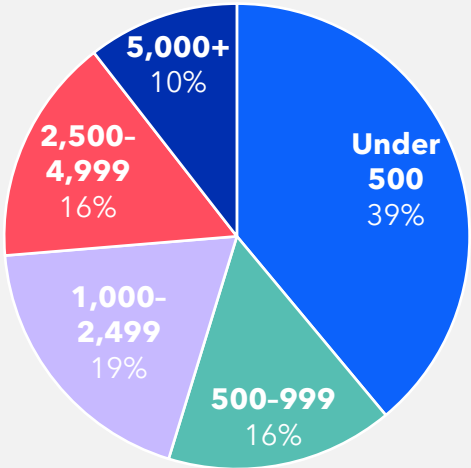
Members:
~52.4K

5,000+
MEMBERS

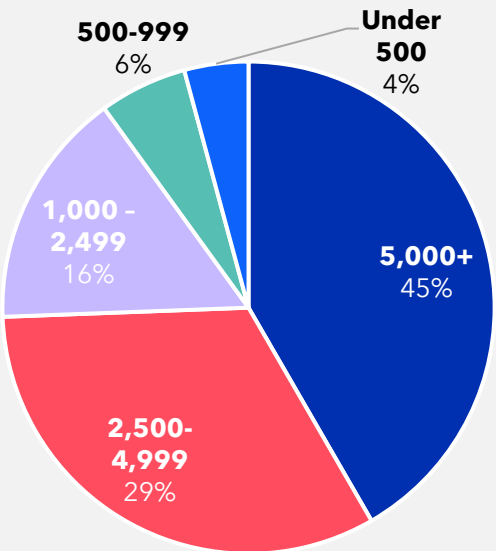
Association
count: 10

Members:
~80.9K

Local associations by size (n=95)



Membership distribution by association size

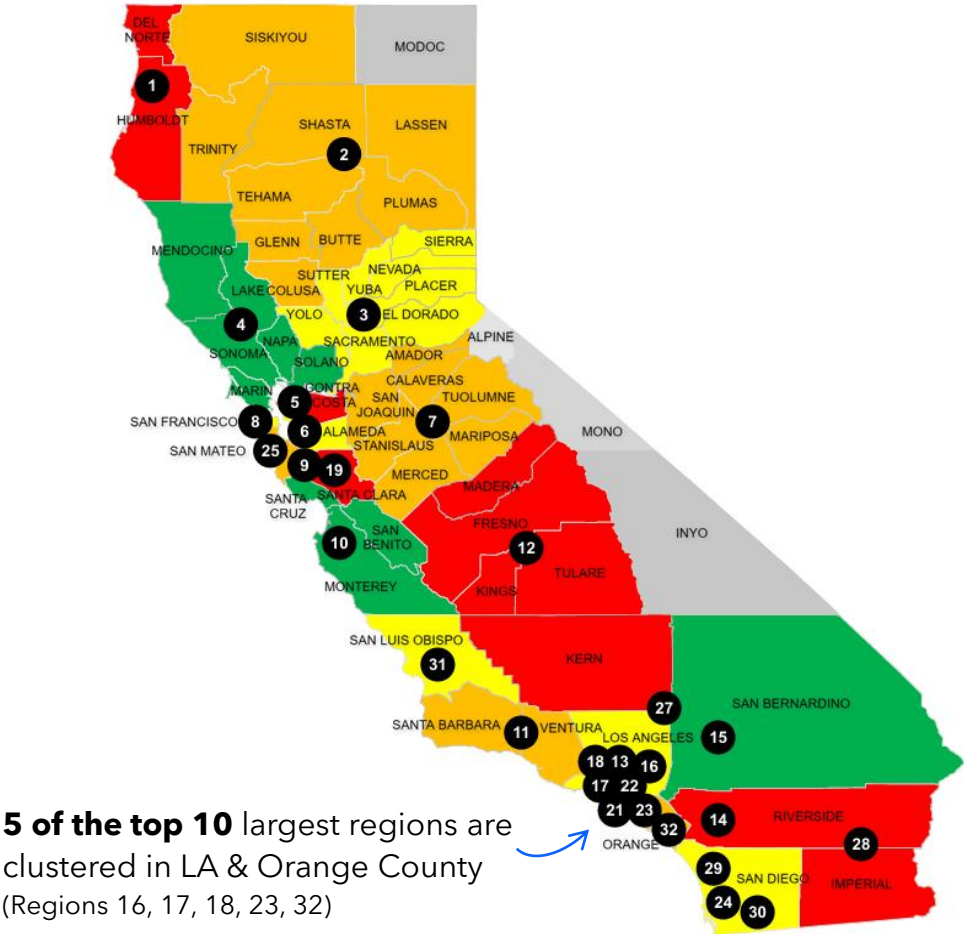


Source: Local association membership data (provided by Sandra Perez, June 26, 2026). 58 members affiliated directly with C.A.R. were not assigned to a region but are included in the total statewide membership.

¹Regions 1-32; 20 and 26 are currently vacant. ²Per C.A.R. on 7/21/26, there are 95 local associations (Idyllwild removed; California Desert and The Inland Gateway’s merger).

C.A.R. regional structure

Local associations are organized into 30 regions; the top 10 largest regions account for 58% of total membership. Each region gets one Regional Chair, regardless of size.



Region	# of Local Associations	Membership	% of Total Membership
Region 3	9	14,756	8%
Region 32	4	14,632	8%
Region 23	2	12,029	7%
Region 17	3	11,072	6%
Region 18	2	9,546	5%
Region 24	1	9,511	5%
Region 16	2	9,075	5%
Region 6	2	7,762	4%
Region 14	3	7,525	4%
Region 12	6	7,507	4%
Top 10 Largest Regions	34	103,415	58%
Remaining 20 Regions	61	75,696	42%
Grand Total	95	179,111 ¹	100%

¹Does not include 58 members who are not affiliated with a local association or region

C.A.R. governance model at a glance

All governing bodies within C.A.R. ultimately ladder up to the Board of Directors for the highest decision-making authority.

CONSTITUTIONAL GOVERNING GROUPS

Board of Directors

Highest governing authority

Leadership Team (Officers)

Acts on behalf of Board between meetings

Executive Committee

Makes recommendations to Board, advises President, and oversees policy execution

Delegates (State Directors)

Represent member associations on Board and hold distinct voting power from rest of Board.

Regional Chairs

Liaise between Directors in their region and Executive Committee

Committees & Forums

Provide specialized expertise and policy recommendations

COMMITTEES & FORUMS

Appointment-Based

Members appointed based on current or prior leadership positions held at national, state, region, or local level (e.g., local AEs, Regional Chairs).

Specialized & Advisory

Focus on specific subject areas or emerging issues that require dedicated expertise. Includes Charter committees with more independent authority.

Standing

Established to handle and propose policies related to the ongoing operations of C.A.R.

OTHER KEY GOVERNANCE GROUPS

C.A.R. CEO & Staff

Manage day-to-day operations of C.A.R., execute Board policies, and facilitate the governance process.

Local Association Leaders & AEs

Select members to serve as Delegates on C.A.R. Board and on committees.

Task Forces

Appointed by President to address specific, short-term issues of importance.

Constitutional governing groups

C.A.R.'s Bylaws outline six key groups with a distinct governing mandate.

FORMAL POWERS

KEY STATS

BOARD OF DIRECTORS	LEADERSHIP TEAM (OFFICERS)	EXECUTIVE COMMITTEE	DELEGATES (STATE DIRECTORS)	REGIONAL CHAIRS	COMMITTEES
<i>Primary governing authority of C.A.R.</i>	<i>Acts for Board in carrying out C.A.R. policies and activities</i>	<i>Advises President, makes recommendations to Board, and oversees implementation</i>	<i>Represent local member associations on Board, with special voting power</i>	<i>Lead C.A.R. Directors within region and liaise between Directors and Leadership Team</i>	<i>Provide specialized expertise and develop policy recommendations</i>
- Administers C.A.R. affairs - Approves policy positions - Approves budget and strategic plan - Approves expenditures - Sets dues and fee levels - Approves amendments to Bylaws - Approves Distinguished REALTOR® award recipients	- Acts on behalf of the Board between meetings - Carries out Board policies and activities - Presides over Board meetings - Appoints and dissolves committees (President) - Appoints committee members, Executive Committee members, and Directors-at-Large (President)	- Carries out recommendations and instructions from Board - Advises the President - Oversees C.A.R. policy implementation - Reviews committee recommendations before Board submission - Members designated as liaisons to each region	- Amend the Articles of Incorporation - Elect and re-approve Directors-for-Life - Re-approve Past Presidents on Board	- Act as liaison between their Region and the Executive Committee - Call and preside over Regional Caucus at C.A.R. Business Meetings and additional Region meetings as needed - Formally install local association officers in their Regions, as requested	- Varies by committee, but most make policy recommendations to Executive Committee and Board - Charter Committees govern based on separate bylaws approved by Board; may act without approval of Board
Size: ~821 members <i>(can range from 500-1500, according to Bylaws)</i> Meetings: 3x per year; additional meetings as called by President	Size: 4 members <i>(President, President-Elect, Treasurer, CEO)</i> Meetings: Recurring	Size: 16 members <i>(includes Leadership Team)</i> Meetings: 3x per year preceding each Board meeting; additional meetings as called by President	Size: ~560 <i>(includes local association presidents)</i> Meetings: 3x per year as part of Board; 1x per year Delegate-only vote preceding last regular Board meeting of year	Size: 30 <i>(one per region)</i> Meetings: Participate in Board and Exec Committee meetings; preside over Regional Caucus and additional regional meetings as necessary; also meet as Regional Chairs Committee	Size: 49 committees, ~1,000 unique members across committees Meetings: Min. 3x per year; standing committees meet in conjunction with Board Meetings

Documented governance *decision pathway*

The below illustrates the general governance pathway for matters requiring **Board approval**

1. Identify and route	2. Evaluate and recommend	3. Review and advise	4. Approve	5. Implement
Grassroots / members / staff / regions - Identify emerging issues, opportunities, or association policy needs - Submit proposals through the appropriate committee responsible for the area of concern	Committee - Evaluate issues within its subject matter - Review available information (e.g., legislation, budget, and emerging issues where applicable) - Develop recommendations; may go through multiple committees before escalation to Executive Committee - Recommendations with a budget or governance impact go through the Strategic Planning and Finance Committee	Executive Committee - Review committee recommendations - May recommend modifications or additional analysis - Advance to Board for consideration with explanation of Executive Committee’s stance (i.e. do they endorse as is, with modifications, or not at all)	Board of Directors - Considers committee recommendations - Approves, modifies, or rejects recommendations	CEO/Staff - Implements Board-approved policies and decisions in coordination with appropriate governing bodies as needed - Executive Committee provides oversight

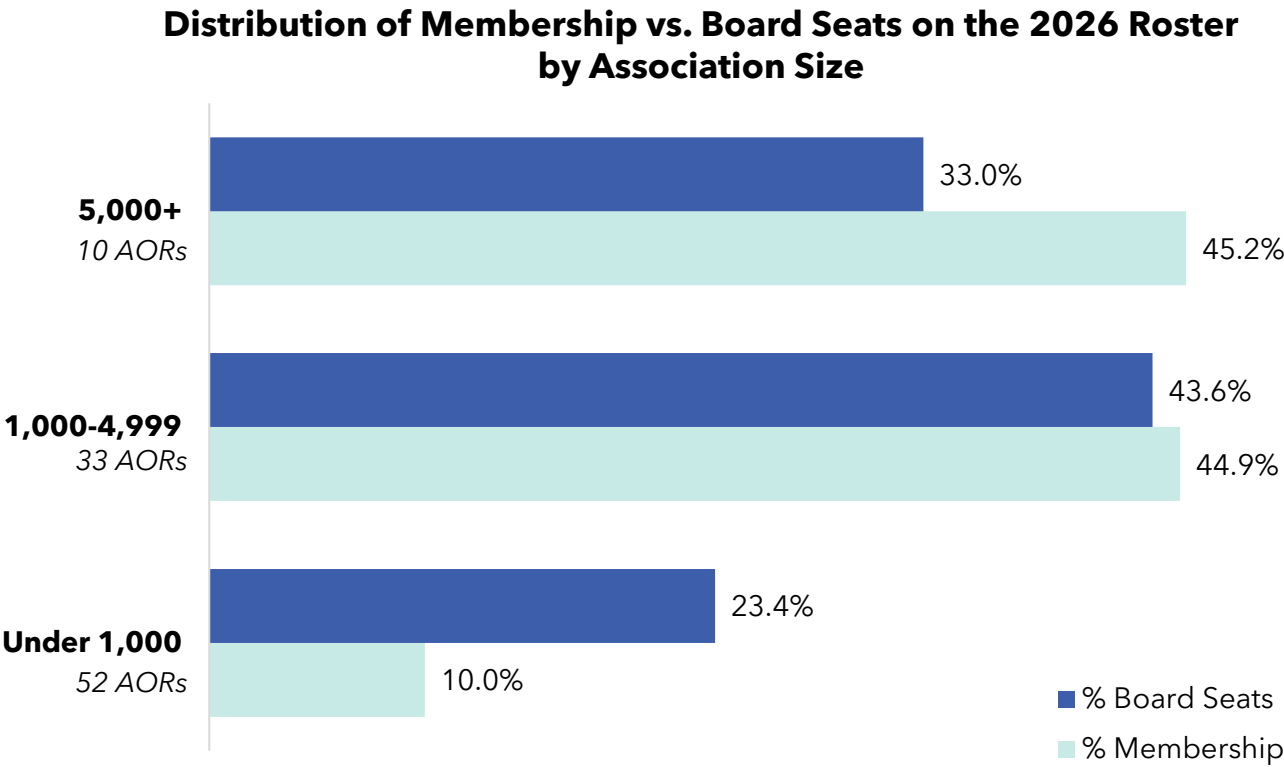
Documented Exceptions: Not all committee matters follow this governance pathway.

- Certain **charter committees** exercise delegated authority under their governing document
- Designated **Task Forces** may be authorized to bring recommendations directly to the Board outside of the standard committee review pathway.

Sources: C.A.R. Bylaws (Arts. IV, V, VI & VIII); Committee Descriptions & Mission Statements (Rev. Feb. 13, 2026); Volunteer Job Descriptions (Rev. Oct. 30, 2023); Pathways to Leadership Town Hall (Mar. 27, 2026). Statements reflect documented governance authority, responsibilities, and decision pathways and exclude operational practices unless explicitly documented.

Board composition *by association size & region*

Board seat distribution is skewed at the smallest and largest association sizes, but broadly proportional at a regional level.



Source: C.A.R. Board of Directors Roster (July 2026).

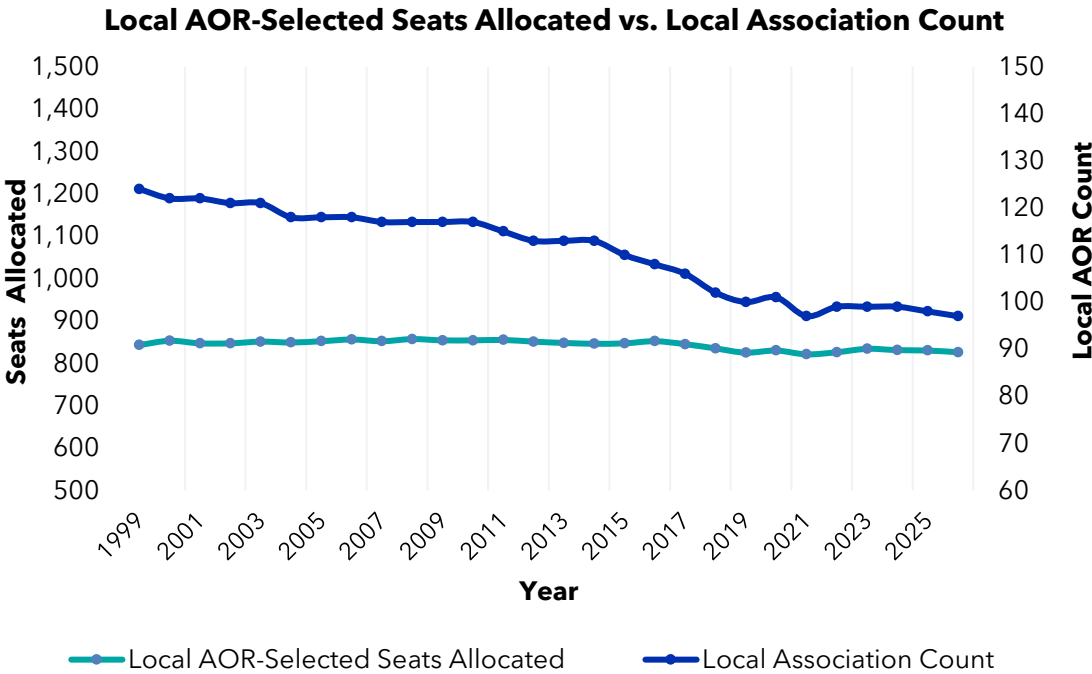
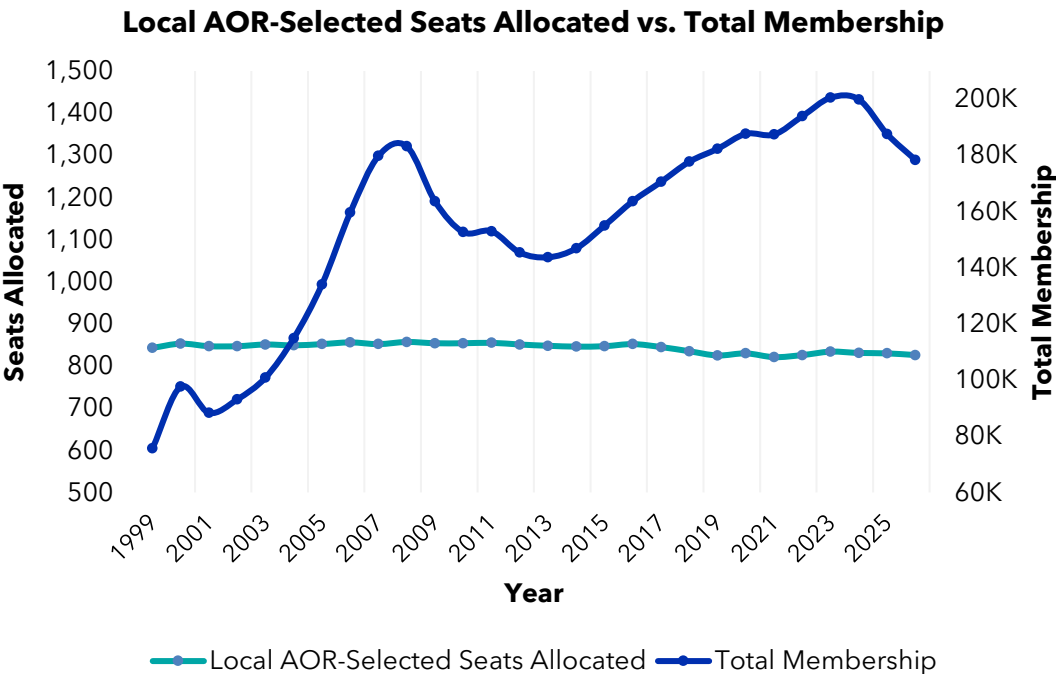
Region*	% of Membership	Total Board Seats on 2026 Roster ▼	% of Total Board Seats
Region 3	8%	66	8%
Region 32	8%	52	6%
Region 12	4%	48	6%
Region 6	4%	42	5%
Region 17	6%	36	4%
Region 23	7%	36	4%
Region 11*	3%	36	4%
Region 18	5%	34	4%
Region 4*	3%	33	4%
Region 2*	1%	29	4%
Top 10 Regions by # Board Seats	50%	412	50%
Remaining 20 Regions	50%	409	50%
Grand Total	100%	821	100%

*Regions are ranked by number of Board seats (most to least).

Local AOR seat allocation over time

Locally-appointed Director seats are allocated based on a formula in the Bylaws. Over the past 25+ years, the Bylaws formula has allocated a **consistent number of ~800 local-AOR appointed seats**, despite variation in membership and a decline in local association count.

1999 Post-Previous Governance Review	2005 Peak Real Estate Market	2026 Current Governance Review
~76K members 124 local associations 845 Local AOR-selected seats allocated	~134K members 118 local associations 851 Local AOR-selected seats allocated	~179K members 95 local associations 825 Local AOR-selected seats allocated



Current Local AOR-selected seat *allocation & utilization*

Today, many local AORs are not filling all the seats allocated to them – particularly larger AORs.



68%

of Local AOR-selected
seats allocated were
filled across all AORs



50%

of Local AOR-selected
seats allocated were
filled among 5K+ AORs

Association Information			Local AOR-Selected Seats		
Association Size	# of Local AORs	Total Members	Local AOR-Selected Seats Allocated (based on Bylaws formula)	Local AOR-Selected Seats Filled	Local AOR-Selected Only: Seats Utilized
Under 1,000	52	17,854 (10%)	150	142	95%
1,000–4,999	33	80,369 (45%)	338	255	75%
5,000+	10	80,888 (45%)	337	167	50%
Total	95	179,111 ¹	825	564	68%

¹Does not include 58 members who are not affiliated with a local association

Board attendance and voting

Historically, ~80% of Directors have voted at Board Meetings.

Average Director Attendance by Local Association Size



87%

Avg. Attendance
in April and January

80%

Avg. Board voting
participation in April

598-670

Range of Votes Cast
in April

Note: Attendance is estimated based on voting card pickup. Average card pickup and voting participation percentages are calculated using the July 2026 Board roster as the denominator. Percentages reflect the average card pickup rate across the April 2026 and January 2026 Board meetings.

Financial burden of *business meetings*

Local AORs

Funds most of the Directors' travel

~\$8.5K per director / year

Estimated cost to send one Director to all three business meetings ranges from **\$6K-\$11K** depending on AOR.

- Locals fund most of **the 800+ member Board travel**, beyond just their own local AOR-selected directors.
- There is an **informal but hard-to-avoid obligation** to cover all directors from their AOR (including Committee Chairs, Directors-for-life, Exec Committee members, and Regional Chairs).
- Cost is a stated barrier. Some AEs say CAR travel is **one of their top line items** and a reason for leaving seats unfilled.

C.A.R.

Funds the meetings themselves

~\$3.0M per year

~5% of C.A.R.'s ~\$59M annual revenue¹ funds the 3 Board meetings that **~0.45%** of membership attends.

- Covers meeting logistics, staff travel & legacy groups (e.g., **~\$108K in Past President stipends**)
- A/V alone runs **\$1M+ per year** across committees, forums & regions
- It takes **~17,000 members' dues** to fund the 3 Board meetings, which is nearly **1 in 10 members**.
- Venues are booked years ahead to accommodate 800+ directors, so **unfilled seats don't reduce the cost to C.A.R.**

¹Source: C.A.R. IRS Form 990, FY2024 (most recent available via ProPublica).

C.A.R. Board size compared to other associations

ORGANIZATION	REPRESENTATIVE BODY	SIZE	MEMBERS	REP TO MEMBER RATIO
California Association of REALTORS®	Board of Directors	821	~179,000	1 per 218
Florida REALTORS®	Board of Directors	~840	~238,000	1 per 283
Texas REALTORS®	Board of Directors	~300	~145,000	1 per 483
American Bar Association	House of Delegates	~600	~271,000	1 per 452
American Chemical Society	Council	~500	~230,000	1 per 460
American Medical Association	House of Delegates	~600	~280,000	1 per 467
American Nurses Association	Membership Assembly	~200	~200,000	1 per 1,000
American Psychological Association	Council of Representatives	~184	~190,000	1 per 1,032
National Association of REALTORS®	Board of Directors	1,027	1,429,900	1 per 1,392
AICPA	Governing Council	265	~412,000	1 per 1,555

Who are *Directors-for-Life*?

How Directors-for-Life are added to the Board

- Submit applications to C.A.R. "with local board resolution"
- Applications reviewed by Nominating Committee
- Voted in by Delegates only and re-approved every 4 years
- Up to three new Directors-for-Life can be added to the Board each year



67

**Directors-for-Life on the
2026 Board roster**



52%

**Avg. Attendance at the
last two Business
Meetings**

Committees & Forums categorization



Committees

Conduct detailed research, discussion, and analysis to develop recommendations that support C.A.R. priorities and inform Board decisions



Forums

Facilitate information sharing and member discussion while providing a channel for feedback to committees and C.A.R. leadership



Task Forces

Address a specific short-term issue requiring timely action and specialized expertise. Task forces dissolve once their objectives are complete

APPOINTMENT-BASED	Committees and forums whose members are selected through appointments based on leadership roles, representation, or other designated criteria
SPECIALIZED / ADVISORY	Specialized committees and forums focus on specific subject areas or emerging issues that require dedicated expertise and attention
	Advisory committees and forums are groups of issue experts appointed from within a committee to make recommendations to that full committee on specific issues concerning that committee
STANDING	Committees established to handle the ongoing operations of C.A.R.; may be created or eliminated by the Board of Directors

Note: Certain committees are designated as **Charter Committees**. These committees have their own charter or bylaws and may have delegated authority to make certain decisions, but they are still part of C.A.R. and their authority has been delegated to them by the Board.

Committees & Forums *inventory*

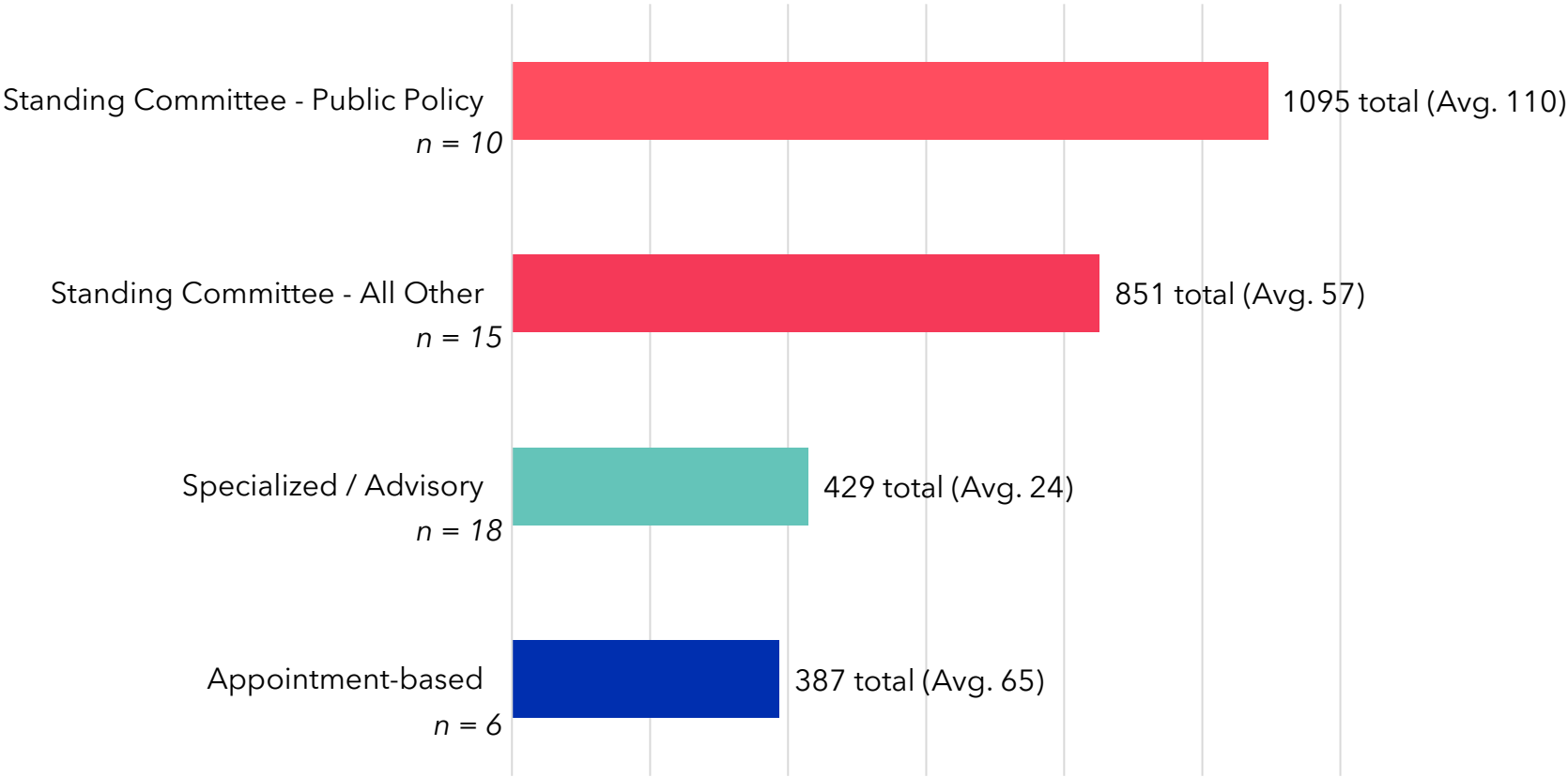
C.A.R.'s ~49 committees support C.A.R.'s governance by engaging members, providing specialized expertise and oversight, and developing recommendations that inform leadership and Board decision-making.

APPOINTMENT-BASED	SPECIALIZED / ADVISORY	STANDING
Past Presidents Nominating Committee † Regional Chairs Committee Association Executives Committee Association Presidents Leadership Forum Legal Affairs Forum	Governance Leadership Executive Committee † NAR Directors Forum Strategic Planning & Finance Committee † L Investment Subcommittee Charter Committees C.A.R. Scholarship Foundation/C.A.R. Education Foundation Californians for Homeownership Committee CREPAC Trustees IMPAC Trustees Other Specialized Committees California Distinguished REALTOR® Award Selection Committee † Housing Affordability Fund Committee Legal Action Fund Trustees REALTOR® Party of California Coordinating Committee Advisory Committees C.A.R. Leadership Academy Selection and Advisory Committee Communications Advisory Committee Defense Strategy Advisory Committee REALTOR® Party of California FAMM Advisory Committee REImagine! Conference & EXPO Advisory Committee Standard Forms Advisory Committee	Public Policy Legislative Committee Federal Committee Taxation & Government Finance Policy Committee Transaction & Regulatory Policy Committee Local Government Policy Committee Environmental Sustainability Committee Investment Housing Committee Fair Housing Policy Committee Home Ownership Housing Committee Public Policy Forum Business Growth / Industry Innovation Broker Idea Exchange Forum Business Technology Forum Diversity & Fair Housing Diversity Committee Fair Housing & Diversity Forum Meeting Logistics Credentials Committee Sergeant at Arms Committee Legal, Risk & Professional Practice MLS Policy Committee Professional Standards Committee REALTOR® Risk Management & Consumer Protection Forum Standard Forms Advisory: Forum on Forms Member Development & Engagement Commercial Investment Forum Global Real Estate Forum Professional Development & Education Forum Young Professionals Network Forum Fundraising REALTOR® Party of California Fundraising & Mobilization Forum Legend: † Explicitly referenced in the C.A.R. Bylaws

Committees & Forums membership

Standing public policy committees account for ~40% of all committee memberships and average nearly twice as many members as other standing committees.

Committee Membership¹ by Committee Type



49

Committees
& Forums



56

Average
Committee Size



2,762

Committee
Positions



1,023

Unique
Committee
Members¹



6%

Committee
Leadership²



74%

Of committee
members also
serve on Board

¹ Total committee seats filled is 2,762. On average members serve on 2.7 committees.

² Leadership counts include members serving as Chair, Vice Chair, Issue Chair, Committee Liaison, and Treasurer.

Committees & Forum composition

Committee composition¹ varies by committee type, with leadership, representation, and participation roles tailored to each committee's responsibilities.

VOTING MEMBERS

Committees/Forums generally comprise the following roles with voting power

Chair

Leads committee, plans agenda, reports committee actions

Vice Chair(s)

Supports Chair, presides as needed

Issue Chair(s) (Public Policy committees only)

Leads issue area, supports agenda planning, presents issue background

Regional Representatives (select committees)

Represents Region, participates in committee deliberations

Members at Large

Represents association-wide perspective, contributes expertise

NON-VOTING MEMBERS

Select committees/forums may also have the following non-voting members

C.A.R. Committee Liaison

Advises committee leadership, connects committees with Leadership Team, facilitates cross-committee coordination

C.A.R. NAR Representative

Connects C.A.R. and NAR "sister committees", shares updates

Regional Liaison (PF, HAF, SCH/EDU)

Communicates committee updates, supports regional awareness

Ex Officio²

Serves based on another leadership role

Committee-to-Committee Liaison

Attend the meetings of the committee to which they serve as a liaison and may be asked to report on relevant matters in both committees

¹ Based on the *Pathways to Leadership Town Hall* (March 27, 2026). Other governance documents may identify additional committee-related roles (e.g., Subcommittee Chair) that are not reflected in this model.

² Referenced in C.A.R. Bylaws in relation to Strategic Planning & Finance Committee and Executive Committee.

An aerial photograph of a suburban neighborhood at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, there are several large, two-story houses with red-tiled roofs and white walls. Some houses have solar panels on their roofs. The houses are surrounded by green lawns and trees. In the background, there is a hill with more houses and a city skyline in the distance.

APPENDIX C

Current State Assessment Findings

Summarizes findings from stakeholder interviews and focus groups on the current state of governance at C.A.R. (conducted June-July 2026)

Current state assessment *inputs*

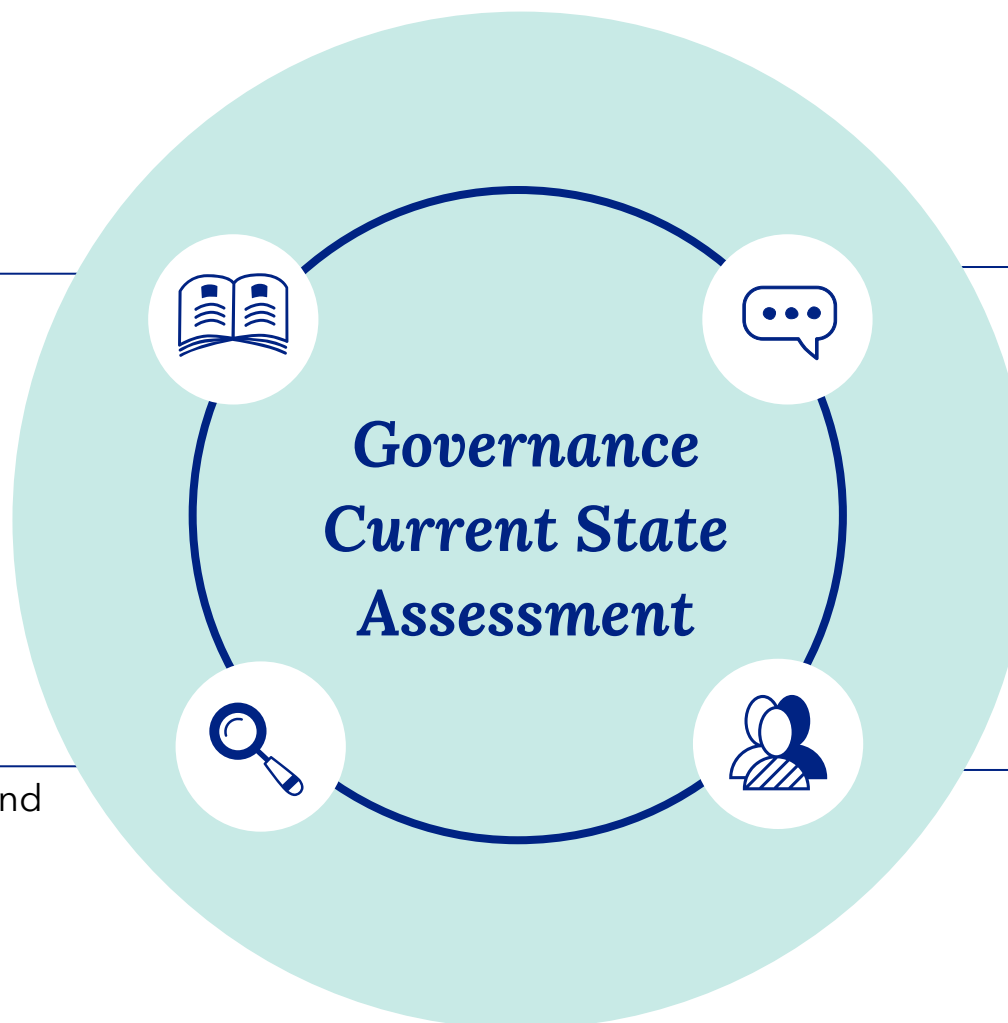
The Current State Assessment was informed by the following four sources, combining an internal and external perspective to identify strengths and challenges associated with C.A.R.'s governance today.

Document Review

Reviewed 40+ C.A.R. governance materials to understand structures, roles, and decision-making processes.

External Research

Examined governance best practices and examples from both in- and outside-industry peer organizations.



Stakeholder Interviews

Conducted interviews and meetings with key governance experts.

Stakeholder Councils

Facilitated focus groups with nine Stakeholder Councils designed to pressure test initial findings.

Focus group *approach*

Who we engaged

(nine 90-min focus groups)



What we asked

Participants rated the extent (1=strongly disagree; 5= strongly agree) each observation resonated with them based on their experience.

Board Size 01. The current size of C.A.R.'s Board does not make it difficult to govern effectively.*	Committee Structures 02. The current committee structure is organized in a way that supports effective governance.	Qualifications & Readiness 03. Current processes consistently identify and prepare the right members to fill governance positions.	Regional Structure 04. The current regional structure effectively supports C.A.R.'s governance.
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*Original question was worded as "the current size of C.A.R.'s Board makes it difficult to govern effectively." For comparability, this was reverse-coded so higher scores consistently indicate a more favorable view of the current governance approach.

Key challenges with governance today

Our analysis elevated the following seven key challenges with C.A.R.'s governance model today.

BOARD SIZE



The Board is too large to operate like a true decision-making body.

QUALIFICATIONS & READINESS



Processes do not consistently put the right people in the right roles.

REGIONAL STRUCTURE



Regional structure lacks clear, coordinated value.

DECISION AUTHORITY



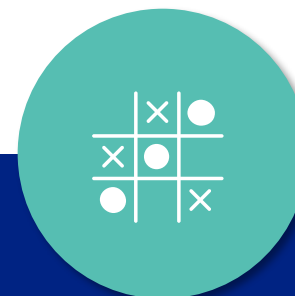
Slow formal pathways are forcing informal workarounds.

COMMITTEE STRUCTURE



Committees are too broad, overlapping, and difficult to manage.

GOVERNANCE COMPLEXITY



The model is so complex that even insiders struggle to navigate it.

MEETING DESIGN



Meetings have become burdensome and logistically complex.

Top-of-mind governance challenges and opportunities

Before discussing specific governance topics, each focus group began with an open-ended question to capture stakeholders' unprompted perspectives: *“Where do you see the greatest opportunity to improve C.A.R.’s governance?”*



Board efficiency

The Board's scale can limit decision-making effectiveness, but stakeholders emphasized that any reduction must preserve member voice and representation.

WHAT WE HEARD

- **Allocated seats do not always translate into active representation.** Because local associations bear the cost of participation, many seats go unfilled, creating a gap between intended and actual representation.
- **Board effectiveness depends more on engagement than size.** Stakeholders noted that a large Board would be fine if Directors came prepared and engaged in discussion, but it can be difficult for some AORs to find and prepare those candidates.
- **Qualifications should set an inclusive but meaningful baseline.** Directors should remain connected to today's real estate environment and capable of governing effectively, recognizing that current engagement extends beyond sales activity alone.
- **Concerns that reducing seats could weaken representation.** Stakeholders want to preserve local voice and cautioned that decreasing size should not come at the expense of representation, particularly for smaller associations, rural markets, emerging leaders, and less-established members.
- **Recognition and voting authority may need to be separated.** While stakeholders value the service and institutional knowledge of legacy positions like Directors-for-Life, many questioned ongoing voting authority.



80%

Average percent of Board members that voted on the issues presented at the 2026 Spring Business meeting



~\$8.5K

Estimated annual cost for one local association to send one director



68%

Allocated Local AOR-selected seats filled (by Directors playing no other role on Board)



67

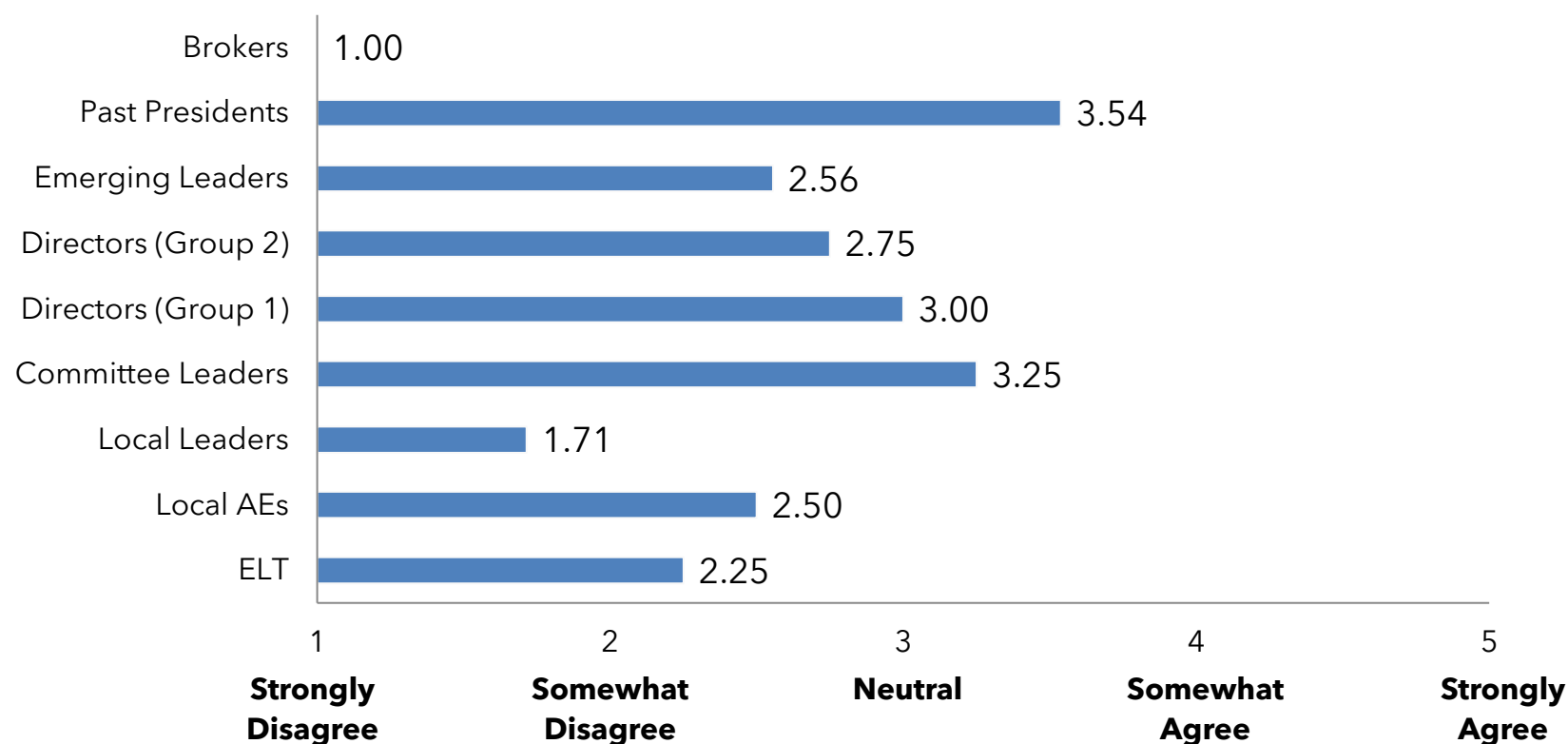
Directors-for-Life on the July 2026 Board roster, or 8% of the Board. 52% average attendance

*"We move too slowly... we're living in a rapidly changing world with technology and AI. Speed of decision-making is the most important component for us to deal with." - **Broker***

*"Broad voice can coexist with a smaller voting body."
- **Local Leader***

Focus Group Scores: *Board efficiency*

The current size of C.A.R.'s Board does not make it difficult to govern effectively.



Note: Original question was worded as “the current size of C.A.R.’s Board makes it difficult to govern effectively.” For comparability, this was reverse-coded so higher scores consistently indicate a more favorable view of the current governance approach.

Committee structure

Committees and forums are too broad, overlapping, and hard to manage.

WHAT WE HEARD

- **Committees are added but rarely removed.** C.A.R.'s current committee structure includes ~49 committees, and stakeholders questioned whether each has a distinct purpose, defined output, or reason to meet in person. In addition, there is no formal process to periodically review committees for opportunities to merge, downsize, or sunset.
- **Scopes overlap, but committees do not consistently coordinate.** Some committees cover related topics without clear mechanisms to connect the work, creating parallel conversations rather than integrated recommendations.
- **Committee meetings should be focused on decision-shaping discussions.** Several stakeholders suggested that presentations and informational content could move to virtual formats, preserving in-person committee time for debate, prioritization, and action.
- **Committee selection is not consistently aligned to committee purpose.** The current committee selection process places few practical limits on committee size or composition, and committee appointments are generally accepted unless there is a scheduling conflict. As a result, there are some very large committees, and composition is not consistently driven by expertise or strategic need.



~49

Committees and forums



1,023

Committee members who serve on 2.7 committees on average



2 to 182 members

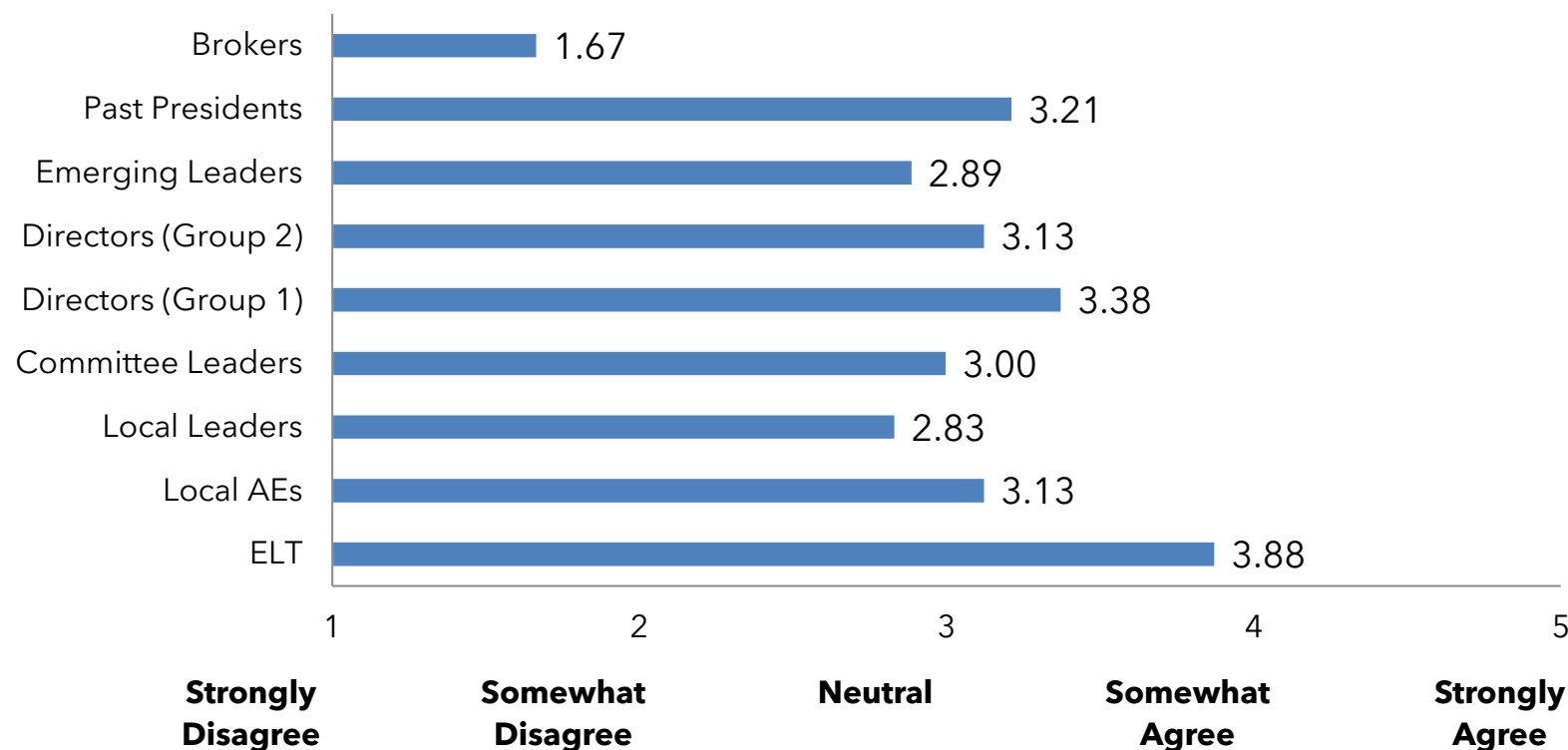
The current range of committee sizes

"It's accumulation too of just adding on but not being thoughtful about the holistic view."

-Stakeholder Interviewee

Focus Group Scores: Committee Structure

The current committee structure is organized in a way that supports effective governance.



Qualifications *and* readiness

Processes do not consistently put the right people in the right roles.

WHAT WE HEARD

- **Selection standards vary significantly across local associations and regions.** Because State Directors and Regional Chairs are appointed through local or regional processes with minimal guidance from C.A.R., the level of experience, knowledge, and preparation individuals bring to those roles can vary considerably.
- **Leadership progression is often driven by succession rather than readiness.** Some leadership pathways (e.g., local president > assistant regional chair > regional chair) follow informal, locally established succession patterns rather than consistently assessing readiness for the responsibilities for the next governance position.
- **Perception that relationships and politics can influence leadership selection.** There is a perception that personal relationships and informal influence have historically played a role in some appointments, particularly committee leadership positions.
- **Leadership expectations and preparation are inconsistent.** Members often enter governance roles without clear expectations, while accountability for onboarding and development is not well defined between C.A.R. and the local associations that appointed them. Annual leadership turnover also limits institutional knowledge transfer.



95

Local associations independently select State Directors for the C.A.R. Board using their own processes



69%

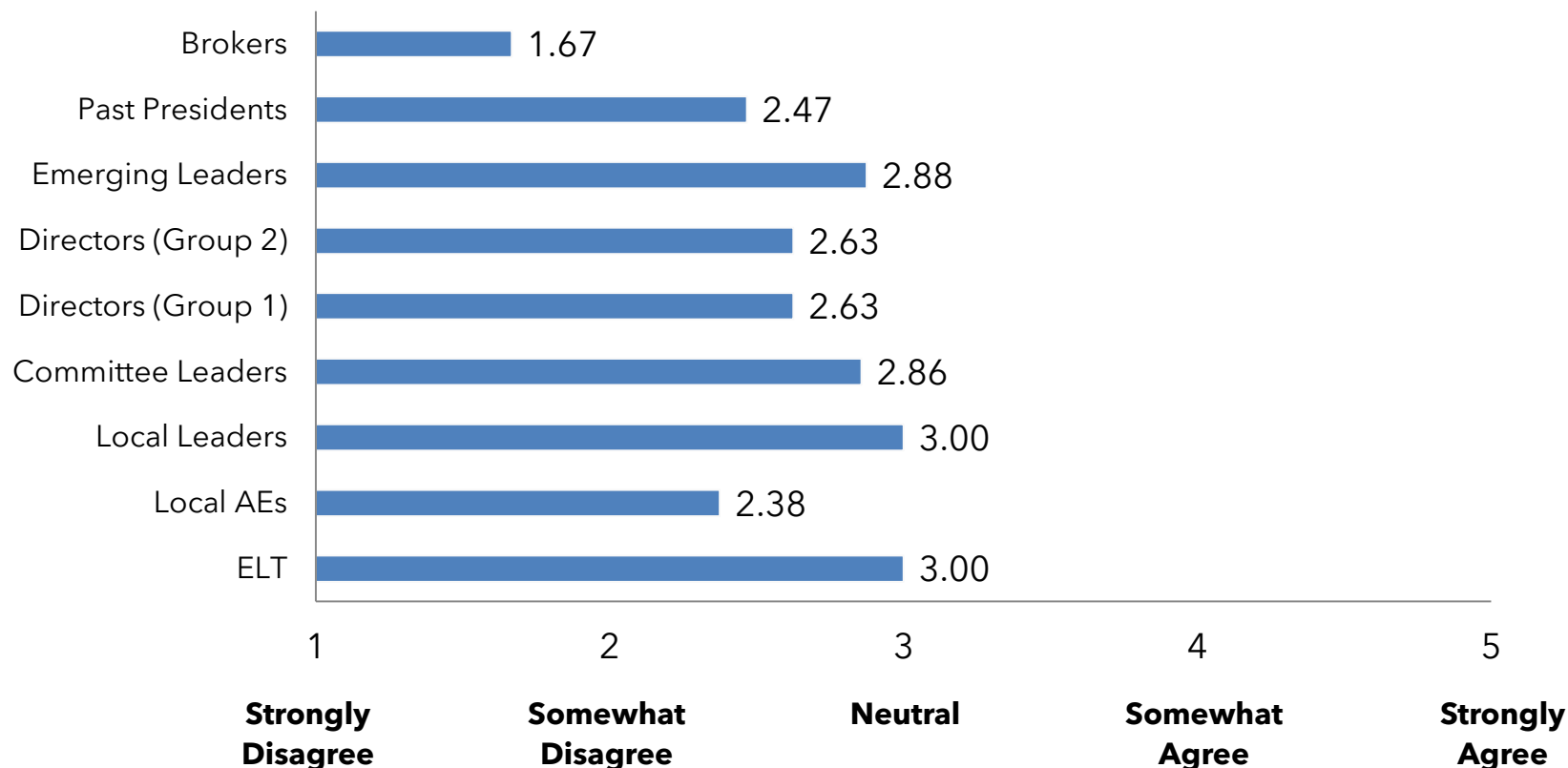
Current percentage of Board filled by local AORs, with minimal guidance or direction from C.A.R. on criteria

"We're not doing a good job putting the right people in those positions or at least training those people or giving them more than one year."

-Stakeholder Interviewee

Focus Group Scores: Qualifications & readiness

Current processes consistently identify and prepare the right members to fill governance positions.



Regional structure

Regions can connect local associations to statewide governance, but unclear purpose, uneven composition, and inconsistent leadership practices create different experiences across the state.

WHAT WE HEARD

- **Regional voice remains important, but purpose is not consistently understood.** Stakeholders (particularly those representing smaller regions) valued regions as a way to elevate local perspectives, share information, and connect Directors with statewide leadership. However, participants did not consistently describe the same core purpose or outcomes regions should deliver.
- **Current boundaries do not always create meaningful alignment.** Associations within the same region may face different market and policy conditions, while associations in different regions may share more because of market context, geographic characteristics, organizational size, or public-policy environment.
- **Regional Chair expectations should follow a clearer regional purpose.** Some regions hold competitive elections while others struggle to find a willing, prepared candidate. Smaller AORs grouped with larger AORs in a region may also have fewer opportunities to produce a Chair because they have fewer members to pull from.
- **Any redesign must preserve voice and account for downstream effects.** Changes could affect candidate pools, Chair selection and succession, leadership preparation, and Nominating Committee appointments. A new model should remain easy to understand, administer, and represent.



30

C.A.R. currently operates across 30 regions, but the rationale for the current map is not consistently understood



~500 to 14.7K

Membership ranges per region



58%

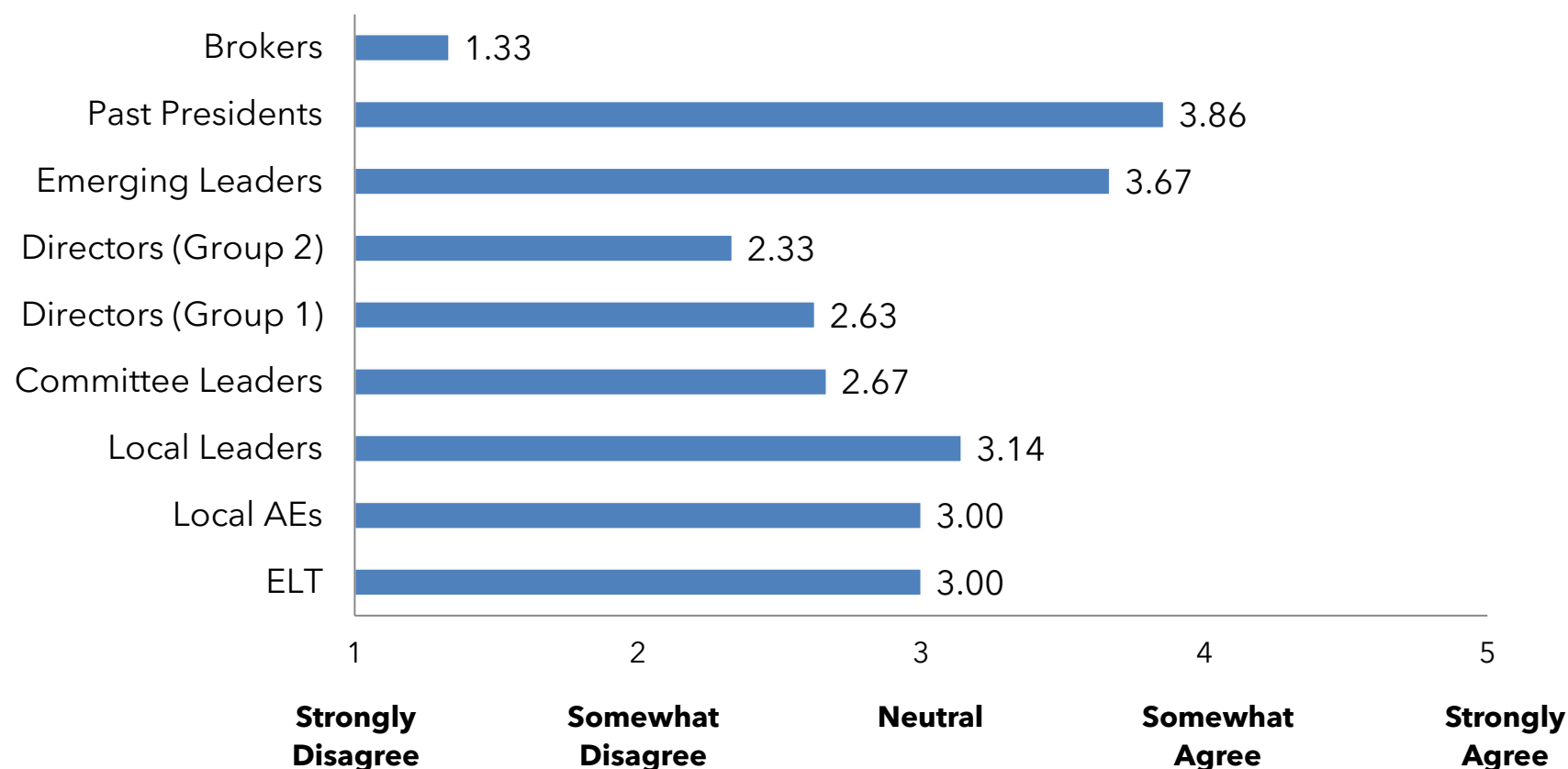
C.A.R. members represented by the 10 largest regions

*"We probably have more in common with Los Angeles than with some suburban areas [in our region] on certain issues." – **Local Leader***

*"By the time we know what we're doing, we term out." – **Local Leader***

Focus Group Scores: *Regional Structure*

The current regional structure effectively supports C.A.R.'s governance.



Decision authority

Slow formal pathways are forcing informal workarounds.

WHAT WE HEARD

- **Board meeting cadence does not match the pace of issues.** The Board meets three times per year, but many market issues require near-term responses that cannot wait until the next time the Board convenes.
- **Between-meeting decisions are concentrating in a small leadership group.** Stakeholders generally trusted leadership, but many were unclear about which decisions require broader governance involvement versus officer or leadership action.
- **Leadership uses smaller groups to create legitimacy and cover.** Officers rely on the Executive Committee and an Extended Leadership Team (which includes Strategic Planning & Finance Committee and Regional Chairs) to vet decisions, but this creates confusion when authority and sequencing across these groups are not clearly understood.
- **Executive Committee's role cannot expand in its current form.** Stakeholders saw potential value in a smaller decision-making body that meets more frequently, but said any shift in authority would require clearer composition, representation, qualifications, and appointment criteria.



3x / year

Board only meets three times per year, which is insufficient to keep pace with the volume and speed of issues



3 Elected Officers

Role is to act on behalf of the Board between meetings



16-Member Exec Committee

Includes Elected Officers, the Past President, and 12 other members appointed by the President

More big decisions and strategy decisions are made between meetings because they can't wait until the next meeting."

-Stakeholder Interviewee

Governance complexity

The model is so complex that even insiders struggle to navigate it.

WHAT WE HEARD

- **The governance structure is multi-layered and complex to navigate.** Stakeholders described the governance model as complex and noted that the number of groups, processes, and pathways can make it difficult to understand and navigate.
- **Documented governance processes do not always reflect how decisions are implemented.** In practice, appointments and participation are often influenced by volunteer availability, member interest, and scheduling realities rather than solely by the formal process.
- **Member voting authority is not always clear.** There are multiple roles on the Board and in committees, and members are not always certain whether they are voting or non-voting members. In addition, the special voting authority of Delegates vs. the rest of the Board is not well understood in practice.
- **The governance model relies heavily on institutional knowledge.** Governance information is distributed across multiple sources, including bylaws, policies, and procedures, which makes it difficult for anyone to understand the full picture and creates challenges when leadership and staff turn over.



~6

Multiple governing bodies (Board, Leadership Team, Executive Committee, Delegates, Regional Chairs, Committees) each have different authorities, entry points, and term limits



12

Different roles on the Board of Directors, with many members wearing multiple hats at once

*"People were not sure who's voting...
It was the Wild West."*

-Stakeholder Interviewee

Meeting *design*

Meetings have become burdensome and logistically complex.

WHAT WE HEARD

- **Time commitments create a barrier to participation.** Participation can require several days away from business, which discourages active brokers, practitioners, and leaders with less flexible schedules from volunteering.
- **In-person time is not always reserved for the highest-value work.** Stakeholders appreciated opportunities to shift informational content to virtual formats and reserve in-person sessions for higher-value governance work.
- **Concurrent scheduling reduces informed participation.** Important meetings such as Legislative, Taxation, and Transaction/Regulatory can overlap, forcing members to choose and requiring some discussion to be repeated later on the Board floor.
- **Meeting logistics drive cost and venue constraints.** The large Board size, 40+ committees and forums, regional caucuses, AV requirements, and room needs limit where C.A.R. can meet and increase the cost burden on C.A.R. and local associations.



\$1M+

In annual A/V cost to support governance meetings across committees, forums, and regions



5 to 6 days

On average that directors may be away from their business during C.A.R. meeting cycles

"Meetings feel almost like venues for engagement and for participation and for people to be heard, which is important—but is it coming at the detriment of decision making?"

-Stakeholder Interviewee

Focus group summary

Focus group results were broadly neutral, but the averages mask meaningful differences across stakeholder groups and topics.

AVERAGE EFFECTIVENESS SCORES*

High scores indicate a favorable view of the current approach

Topic	Weighted by participant count	Equal across groups
Board Size	2.69	2.51
Committee Structure	3.12	3.01
Qualifications & Readiness	2.65	2.61
Regional Structure	3.06	2.85

*Effectiveness Scores standardize 1-5 responses for comparability. Negatively worded questions (Board Size only) are reverse-coded so higher scores indicate a more favorable view of the current governance approach. The Broker focus group only had 3-4 participants.

KEY TAKEAWAYS

- **Board Size and Qualifications & Readiness drew the greatest concern.** Qualifications scored lowest when weighted by participants (2.65), while Board Size scored lowest when each group was weighted equally (2.51).
- **Committee Structure received the most favorable ratings overall.** Both averages were near neutral to slightly favorable. Participants still called for improved effectiveness and reduced duplication.
- **Regional Structure generated the greatest variation in perspectives.** Many valued regions for communication and representation, while others questioned their purpose, consistency, and future role.
- **Past Presidents and Extended Leadership Team were most favorable** toward the current model.
- **Brokerage Leaders expressed the greatest concern** around governance speed, Board size, and decision-making.
- **The averages mask meaningful differences across groups.** Stakeholders often agreed on the underlying challenges but differed on whether structural change or stronger participation, preparation, and accountability should be the primary response.

APPENDIX D

Member Testing & Survey Details

Summarizes member feedback on the initial recommendations developed by the Task Force, collected via focus groups and an all-member survey (conducted Aug 2026)





Member Testing & Survey Overview

Member feedback approach

Member feedback on recommendations was gathered via extensive stakeholder engagement, combining targeted focus groups with broad feedback collected via an all-member survey.

Stakeholder Councils

90 attendees across 11 sessions

Dates: Weeks of August 17th 24th

**Extended
Leadership Team**

9 Participants

**Committee
Leaders**

10 participants

**Local
Leaders**

8 participants

**Local Association
Executives**

7 participants

**Directors
(2 groups)**

16 participants

**Emerging
Leaders**

9 Participants

**Brokers
(2 groups)**

19 participants

**Past Presidents
(2 groups)**

12 participants

All Member Survey

Audience: All C.A.R. Members

Dates: August 19-28, 2026

**1.84K
RESPONSES**

95

**ALL LOCAL ASSOCIATIONS
REPRESENTED**

494

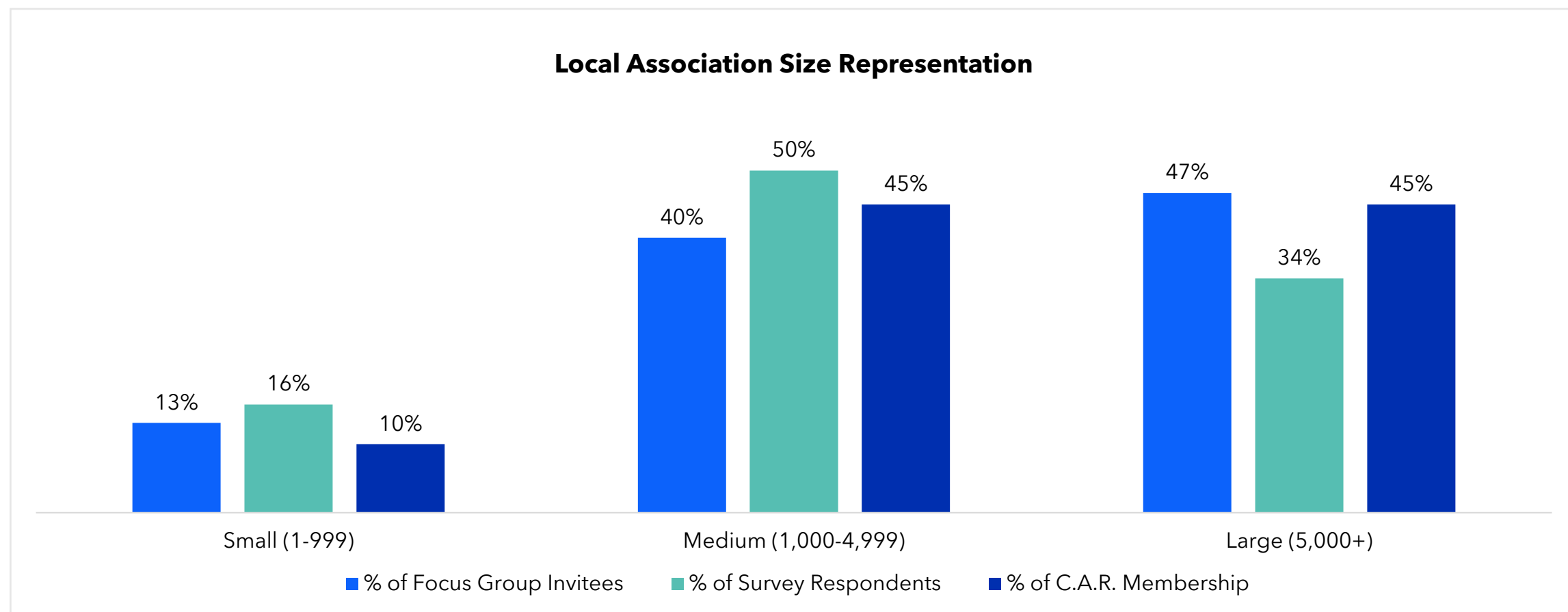
BROKER-OWNERS
27% of respondents

C.A.R. GOVERNANCE INVOLVEMENT



Local association size representation

Survey and focus group participation broadly reflected the statewide local AOR size mix.

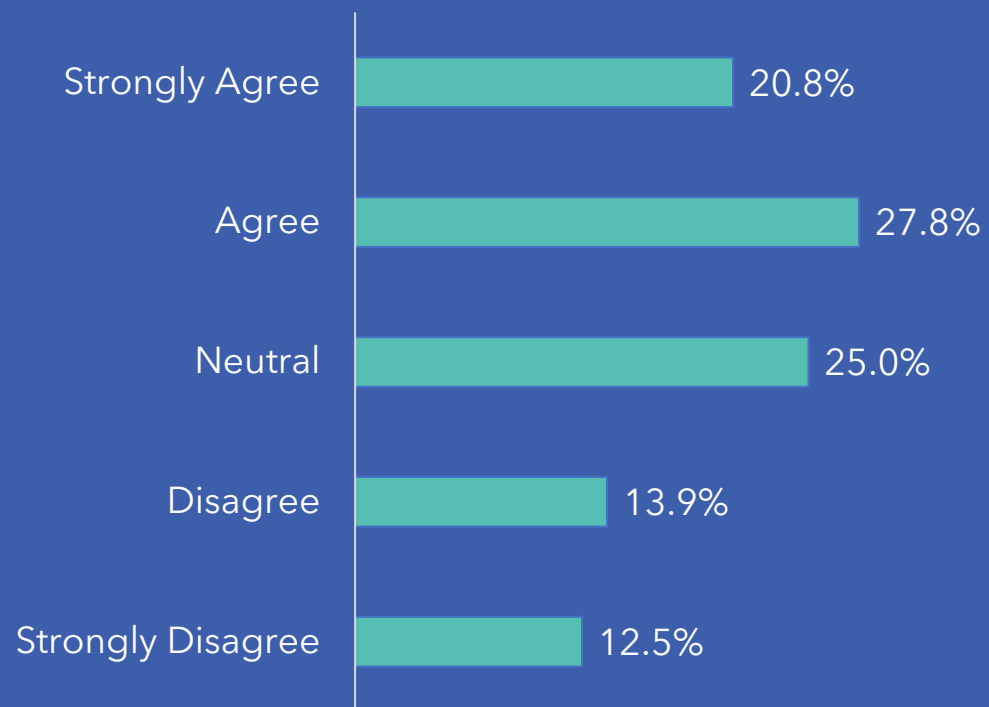


Note: Survey respondent data excludes 202 respondents who did not select a local AOR, and 35 who selected "other".

Board size

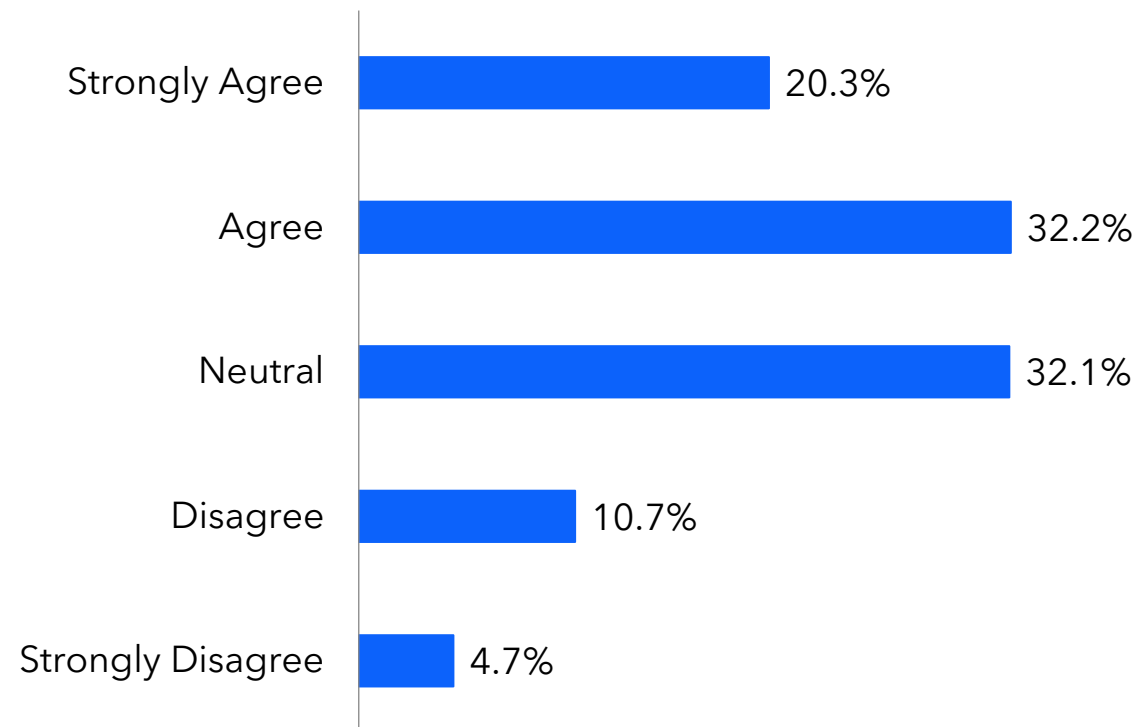
The current size of C.A.R.'s Board (800+ Directors) makes it difficult to govern effectively.

R1 FOCUS GROUP



n=72

ALL MEMBER SURVEY

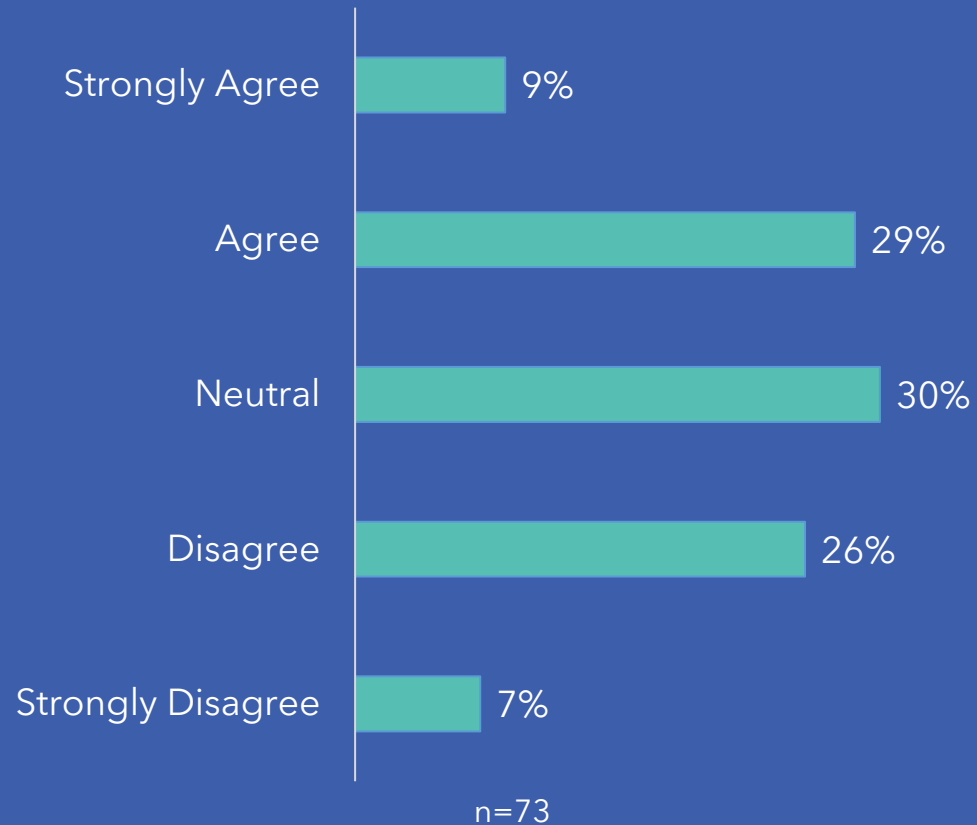


n=1,347 (excludes 341 "not sure")

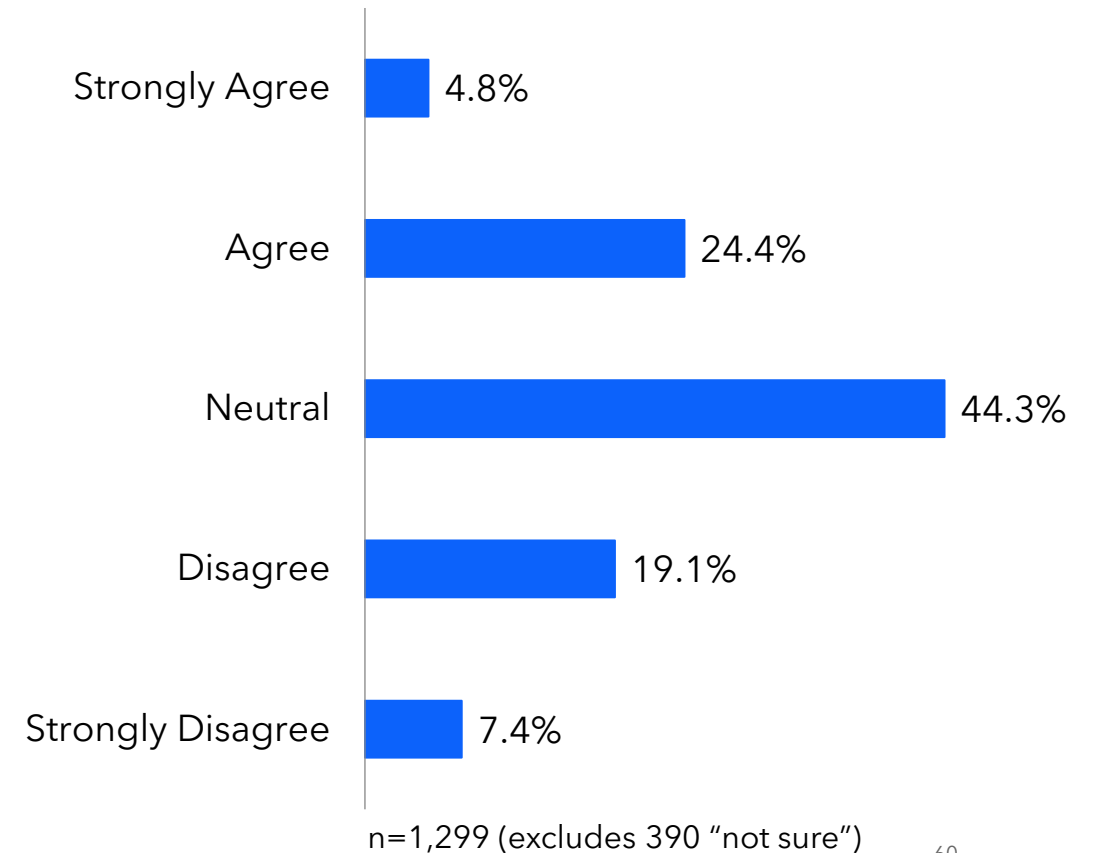
Committee structure

C.A.R.'s current committee structure is organized in a way that supports effective governance

R1 FOCUS GROUP



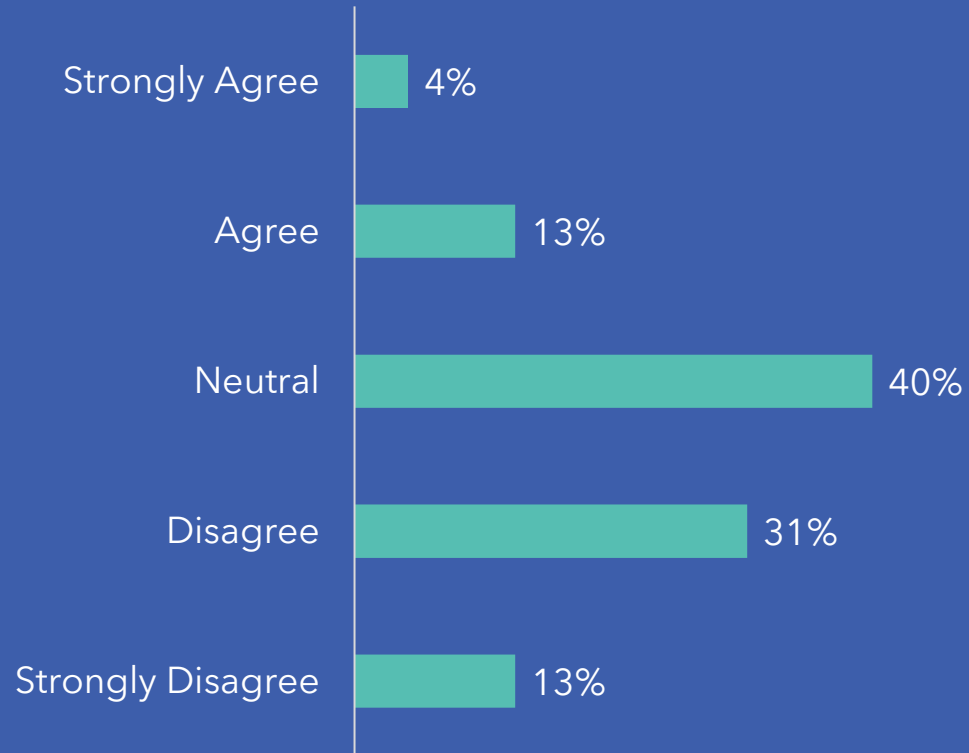
ALL MEMBER SURVEY



Qualifications & readiness

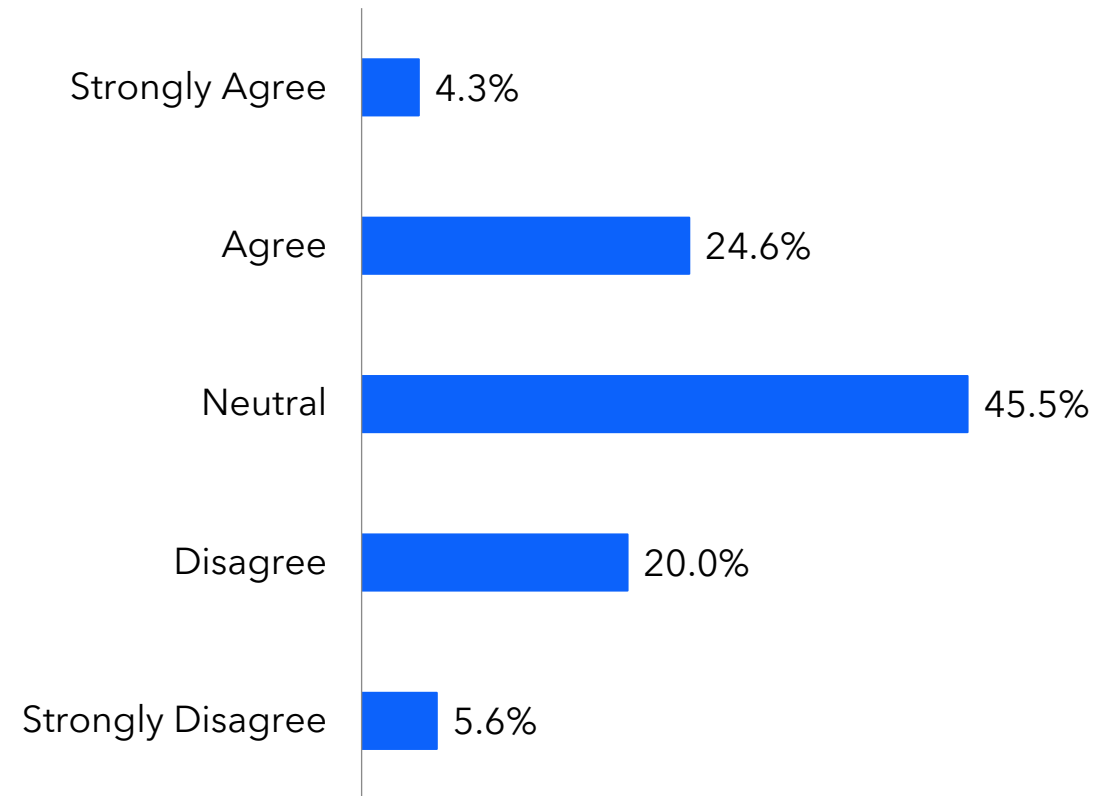
C.A.R.'s current processes consistently identify and prepare the right members to fill governance positions.

R1 FOCUS GROUP



n=72

ALL MEMBER SURVEY

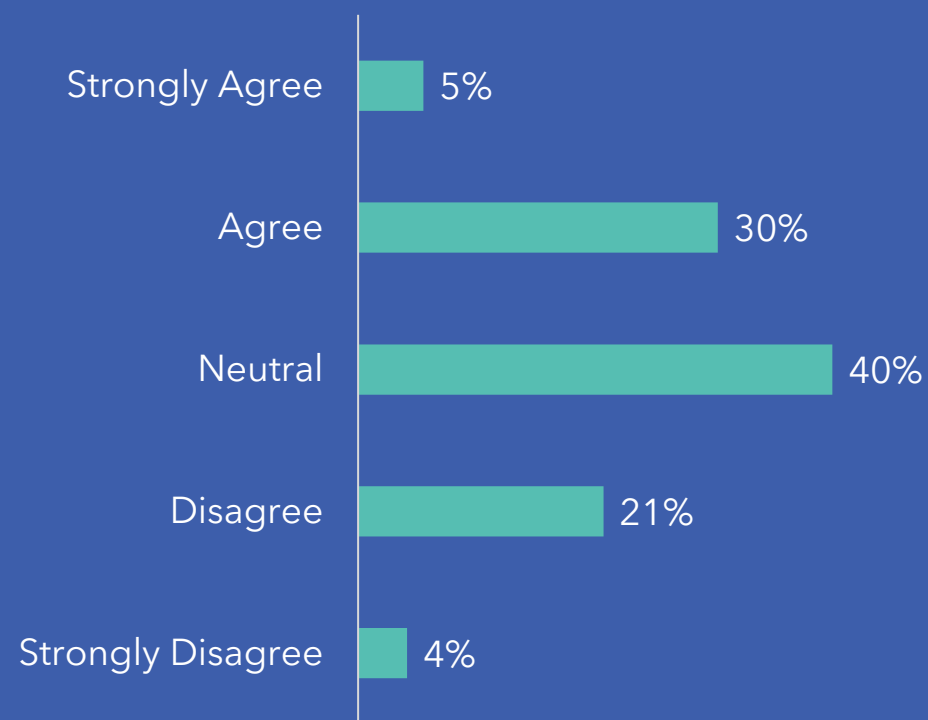


n=1,187 (excludes 373 "not sure")

Regional structure

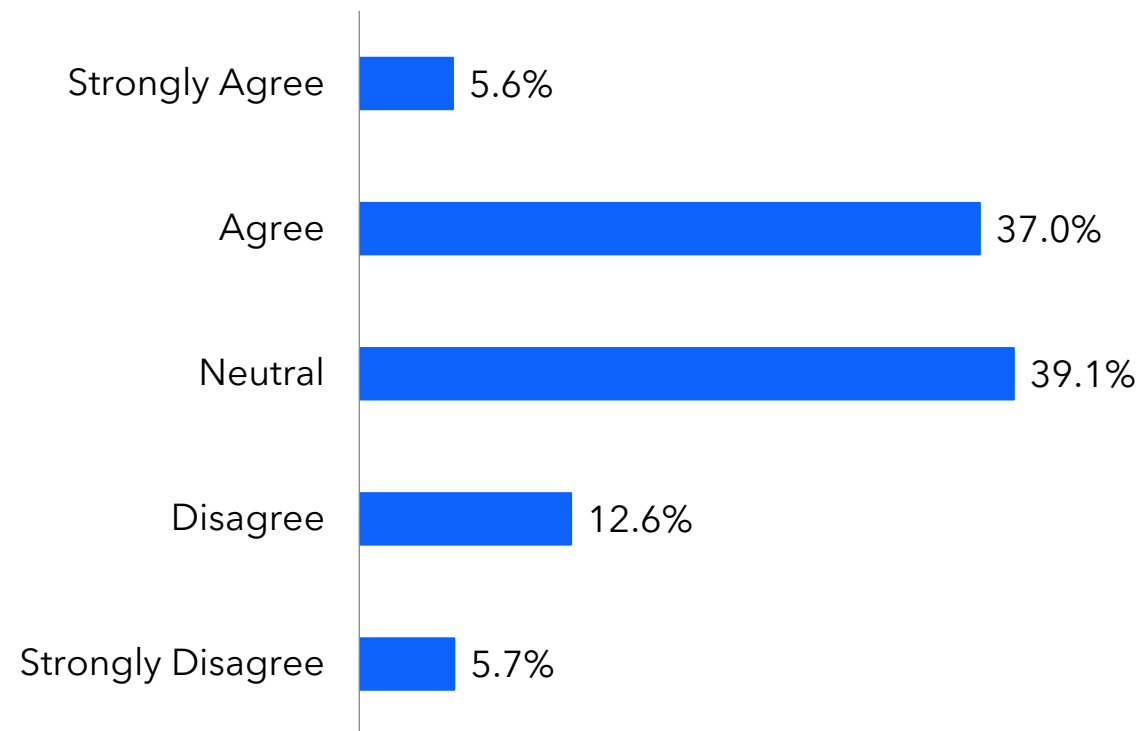
C.A.R.'s current regional structure (30 regions) effectively supports C.A.R.'s governance.

R1 FOCUS GROUP



n=70

ALL MEMBER SURVEY



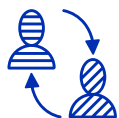
n=1,234 (excludes 324 "not sure")



Recommendations Tested

Task Force *focus area rationale*

Based on findings from the current state review, the following three areas were prioritized for Task Force focus.



Board Efficiency



Regional Structure



Executive Committee

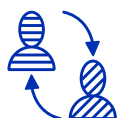
- **Highest Task Force priority** (11 of 13 votes at the 7/24 meeting)
- **Lowest-rated across stakeholder councils** (2.51 group average), highlighting broad concern with the current Board model
- **High cost burden** on both C.A.R. and local associations to host and send 800+ members to Board meetings
- **Foundational piece of governance structure;** creating a more nimble governance structure will address many other concerns

- **Second-highest Task Force priority** (9 of 13 votes at the 7/24 meeting)
- **Regions lack consistency;** while feedback on regional structure was mixed, many who like the current structure like the way *their* region operates
- **Lacks a clear organizing principle;** members consistently express confusion over why regional boundaries are drawn the way they are today

- **Regardless of future Board size,** governance requires a trusted body to make timely decisions between meetings given the pace of change
- **Extended Leadership Team has been added as an additional layer** for decision approvals, raising the question of whether the Executive Committee is insufficient
- **Executive Committee is a one-year, President-appointed term,** and some raised concerns that turnover impacts knowledge continuity

Recommendations tested

The following governance recommendations were tested with members via focus groups and a member survey.



Board Efficiency

1. Change Local AOR allocation formula
2. Establish periodic review of Board size
3. Establish baseline criteria for Directors - including active industry requirement
4. Remove requirement to appoint Local President as a State Director
5. Sunset Directors-for-Life role going forward and add active engagement requirement
6. Remove Immediate Retiring Regional Chairs as automatic Board appointment



Regional Structure

1. Redraw regional map, targeting fewer regions overall
2. Establish minimum thresholds per region (e.g., # members, Directors, AORs)
3. Establish baseline criteria for Regional Chairs
4. Formalize rotating appointments within multi-AOR regions



Executive Committee

1. Establish 2-year staggered terms
2. Shift appointment authority from the President to the full Leadership Team
3. Add competency-based Executive Committee criteria

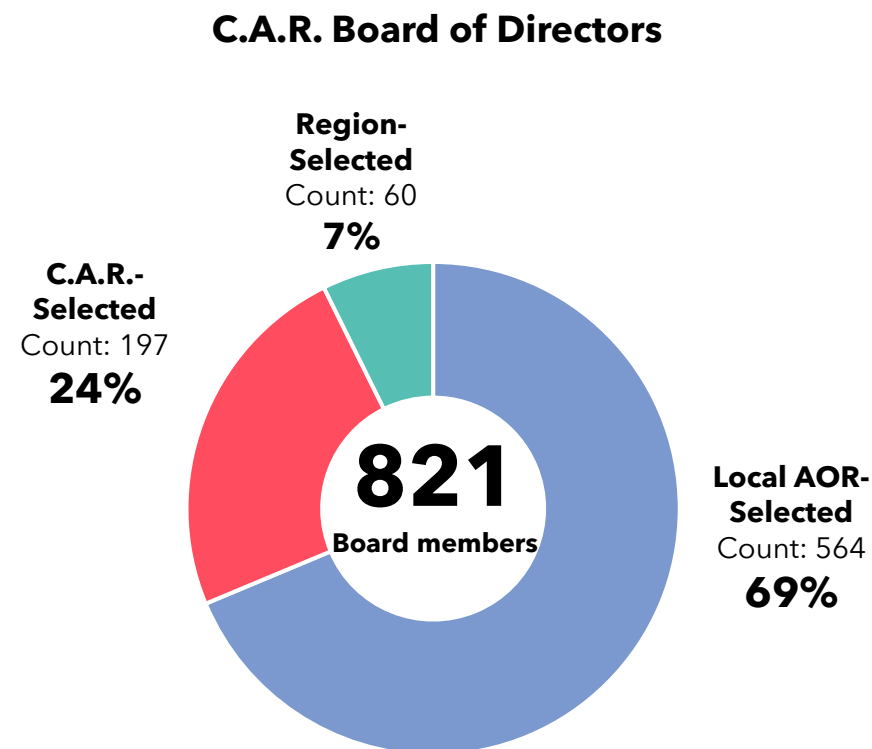
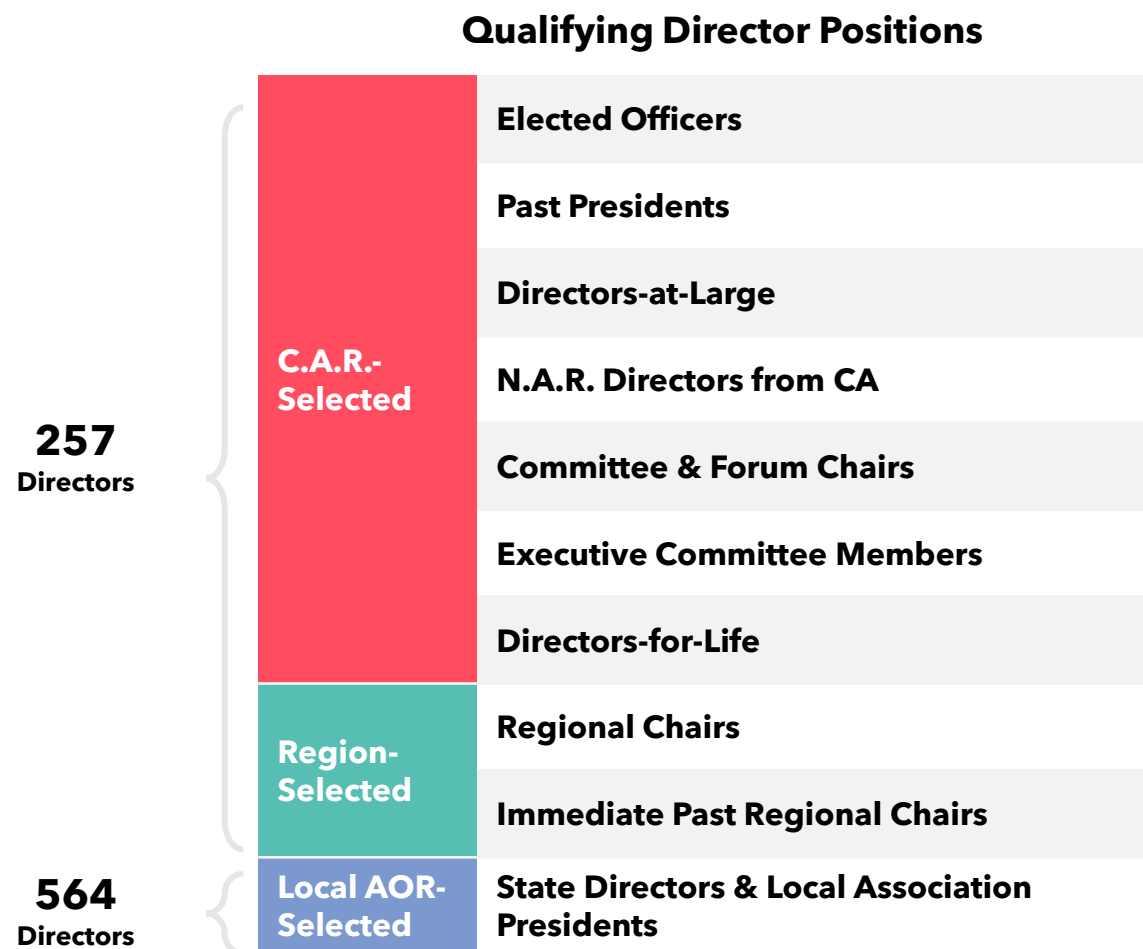
01 Board Efficiency

02 Regional Structure

03 Executive Committee

Board of Directors composition

The Board comprises multiple roles that qualify a member as a Director. Almost two-thirds of Directors hold State Director or Local Association President as their *primary* qualifying position, while the remaining Directors are distributed across other roles and may wear multiple hats.



Source: C.A.R. Board of Directors Roster (July 2026).

What we tested: Alternate formulas to reduce Board size

	CURRENT STATE	OPTION 1	OPTION 2	OPTION 3	OPTION 4
	Formula allows for more seats than are actually filled	Reduces Board by ~20% and right sizes to actual historical participation	Reduces Board by ~35%	Reduces Board by ~40%	Reduces Board by ~50%
Adjusting this lever					
Local AOR-appointed Seats Available (Based on Formula)	825	394	284	230	136
Local AOR-appointed Seats Filled	564	394	284	230	136
Other Director Seats	257	257	257	257	257
Total Board Size	821	651	541	487	393
Current Board Participation	650				

Current State: More seats available than filled

AOR INFORMATION				CURRENT STATE (2026)	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)
<1,000	52	10%	150	142	25%
1,000-4,999	33	45%	338	255	45%
5,000+	10	45%	337	167	30%
Total Local AOR Seats	95	100%	825	564	100%
Additional Directors*				257	
Total Board				821	

*Based on 2026 Board roster. This number may fluctuate year over year

How this works

The number of seats local AORs are allocated to fill is based on a formula in the Bylaws. AORs are currently not filling all the seats available.

Current Formula

$$\text{Number of Local AOR-selected seats} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 750)}$$

Minimum Representation Rules

< 100 members → 2 Local AOR Seats

≥ 100 members → Min. 3 Local AOR Seats

Option 1: Right size Board to historical attendance

AOR INFORMATION			CURRENT STATE			OPTION 1	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
<1,000	52	10%	150	142	25%	57	14%
1,000-4,999	33	45%	338	255	45%	169	43%
5,000+	10	45%	337	167	30%	168	43%
Total Local AOR Seats	95	100%	825	564	100%	394	100%
Additional Directors*				257		257	
Total Board				821		651	

How this works

Lowers the minimum representation requirement to 1 director for all AORs and adjusts the formula to achieve a Board size that matches actual attendance today.

Option 1 Formula

$$\text{Number of Local AOR-selected seats} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 375)}$$

Minimum Representation Rules
1 director

*Based on 2026 Board roster. This number may fluctuate year over year

Option 2: Adopt a base (1) + tiered model (1 per 750)

AOR INFORMATION				CURRENT STATE		OPTION 2	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
<1,000	52	10%	150	142	25%	57	20%
1,000-4,999	33	45%	338	255	45%	118	42%
5,000+	10	45%	337	167	30%	109	38%
Total Local AOR Seats	95	100%	825	564	100%	284	100%
Additional Directors*				257		257	
Total Board				821		541	

*Based on 2026 Board roster. This number may fluctuate year over year

How this works

Replaces the current allocation formula with a base + tier model. **Each association receives 1 seat, plus 1 additional seat for every 750 members.**

1 Local AOR-appointed seats per association + 1 additional Local AOR-appointed Seats for every 750 members

Option 3: Adopt a base (1) + tiered model (1 per 1,000)

AOR INFORMATION				CURRENT STATE		OPTION 3	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
<1,000	52	10%	150	142	25%	52	23%
1,000-4,999	33	45%	338	255	45%	95	41%
5,000+	10	45%	337	167	30%	83	36%
Total Local AOR Seats	95	100%	825	564	100%	230	100%
Additional Directors*				257		257	
Total Board				821		487	

*Based on 2026 Board roster. This number may fluctuate year over year

How this works

Replaces the current allocation formula with a base + tier model. **Each association receives 1 seat, plus 1 additional seat for every 1,000 members.**

1 Local AOR-
appointed Seats
per association

+

1 additional Local
AOR-appointed
Seats for every 1,000
members

Option 4: Adopt a base (1) + tiered model (1 per 2,500)

AOR INFORMATION				CURRENT STATE		OPTION 4	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
<1,000	52	10%	150	142	25%	52	38%
1,000-4,999	33	45%	338	255	45%	48	35%
5,000+	10	45%	337	167	30%	36	26%
Total Local AOR Seats	95	100%	825	564	100%	136	100%
Additional Directors*				257		257	
Total Board				821		393	

How this works

Replaces the current allocation formula with a base + tier model. **Each association receives 1 seat, plus 1 additional seat for every 2,500 members.**

1 Local AOR-appointed Seats per association + 1 additional Local AOR-appointed Seats for every 2,500 members

*Based on 2026 Board roster. This number may fluctuate year over year

Alternate Formulas to Reduce Board Size: Focus Group Findings

% of top-choice
votes across all
focus groups:

10%

46%

26%

8%

10%

CURRENT STATE (2026)				OPTION 1		OPTION 2		OPTION 3		OPTION 4	
Size Tier	% Total Members	Seats Filled (#)	Seats Filled (%)	Seats Allocated (#)	Seats Allocated (%)	Seats Allocated (#)	Seats Allocated (%)	Seats Allocated (#)	Seats Allocated (%)	Seats Allocated (#)	Seats Allocated (%)
1-999	10%	142	25%	57	14%	57	20%	52	23%	52	38%
1,000-4,999	45%	255	45%	169	43%	118	42%	95	41%	48	35%
5,000+	45%	167	30%	168	43%	109	38%	83	36%	36	26%
Total Local AOR Seats	100%	564	100%	394	100%	284	100%	230	100%	136	100%
Additional Directors*		257		257		257		257		257	
Total Board		821		651		541		487		393	

Adjusted version of
current formula to right-
size to actual turnout

One base seat plus one
seat per 750 members

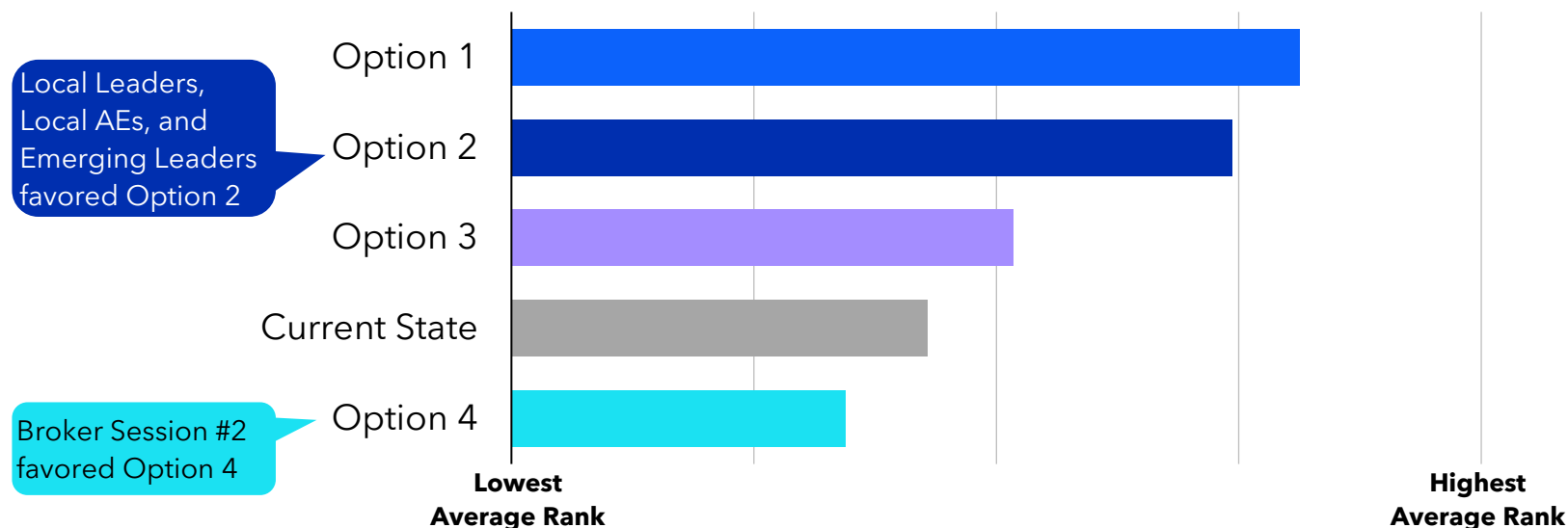
One base seat plus one
seat per 1,000
members

One base seat plus one
seat per 2,500
members

*Based on 2026 Board roster. This number may fluctuate year over year

Alternate Formulas to Reduce Board Size: Focus Group Findings

Aggregate Focus Group Ranking



89%
RESPONDENTS
Agreed that C.A.R. should review the allocation formula every 3-5 years

Alternate Formulas to Reduce Board Size: Focus Group Findings

▲ STRENGTHS

- **Option 1 viewed as a “passable” adjustment.** Some gravitated towards option 1 because it felt like a step in the right direction that could get through vs. a more extreme reduction.
- **Saw value in reducing the overall size of the board.** Participants across groups generally acknowledged that the board is larger than participation levels require and were open to exploring smaller models.
- **Encourages more intentional director selection.** Many felt fewer seats would create greater emphasis on selecting engaged, prepared, and qualified directors rather than simply filling seats.
- **A regular review process was viewed as a safeguard against future misalignment.** Participants felt it would allow C.A.R. to make smaller, data-driven adjustments over time instead of allowing disparities to build until a major governance review becomes necessary.

▼ RISKS & WATCHOUTS

- **Option 1 raised concerns over taking seats away from smaller boards.** A primary concern was that this option reduces board size by reducing seats for smaller associations, who currently fill the seats available to them at a higher rate than small and medium boards.
- **Option 4 viewed as over-prioritizing size reduction at the expense of representation.** Many felt that Option 4 skewed too heavily away from proportional representation and risked under-representing large boards, who make up 45% of C.A.R.’s membership.
- **Fewer seats could reduce leadership development opportunities.** Some worried that reducing allocations could make it more difficult for emerging leaders to gain experience and advance.
- **Board size changes alone may not improve effectiveness.** Participants argued that engagement, preparedness, qualifications, and accountability have a greater impact on governance performance than board size by itself.

MEMBER VOICES

“I think if you reduce the size of the Board too much, you lose the culture and the input, and you will not get it back.”

– Past President

“My hope would be that by shrinking that number, we get more quality and less quantity. That they will be more careful, they will be more considerate of who they’re sending to represent them.”

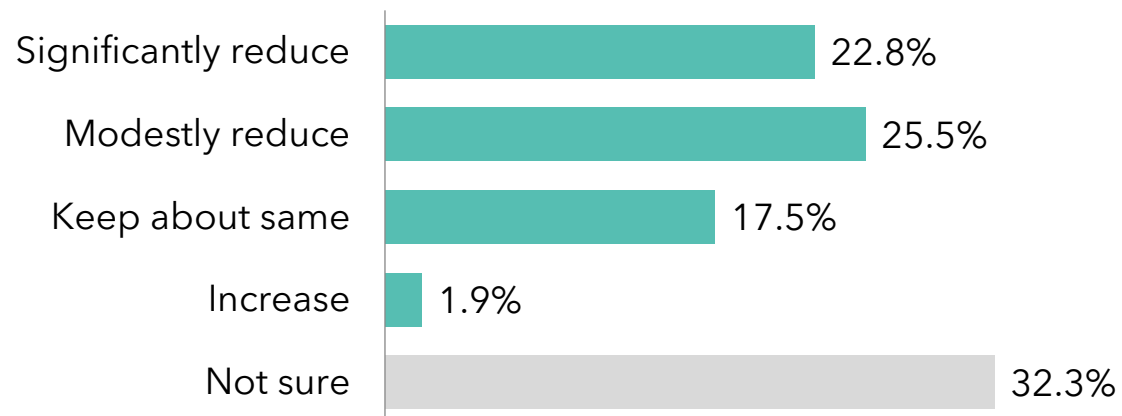
– Brokerage Leader

“Trimming the fat is good, but we have to make sure that we are trimming the fat and not cutting into the meat.”

– Emerging Leader

Alternate Formulas to Reduce Board Size: Survey Findings

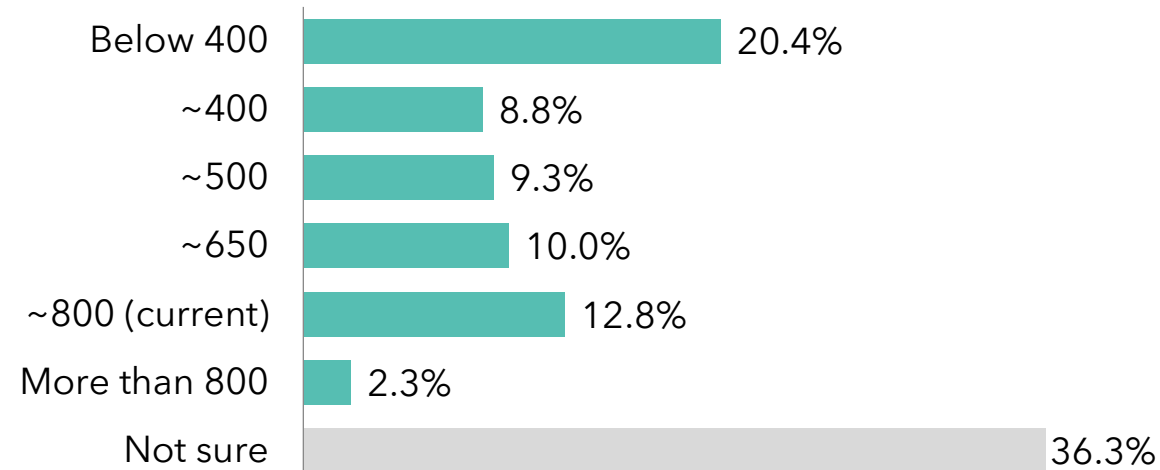
Which of the following comes closest to your view on Board size?



n=1,492

Of the members who expressed a view (i.e., excluding "Not sure"),
71.3% favor reducing the Board

If C.A.R. were to change the size of the Board, which approach feels most appropriate?

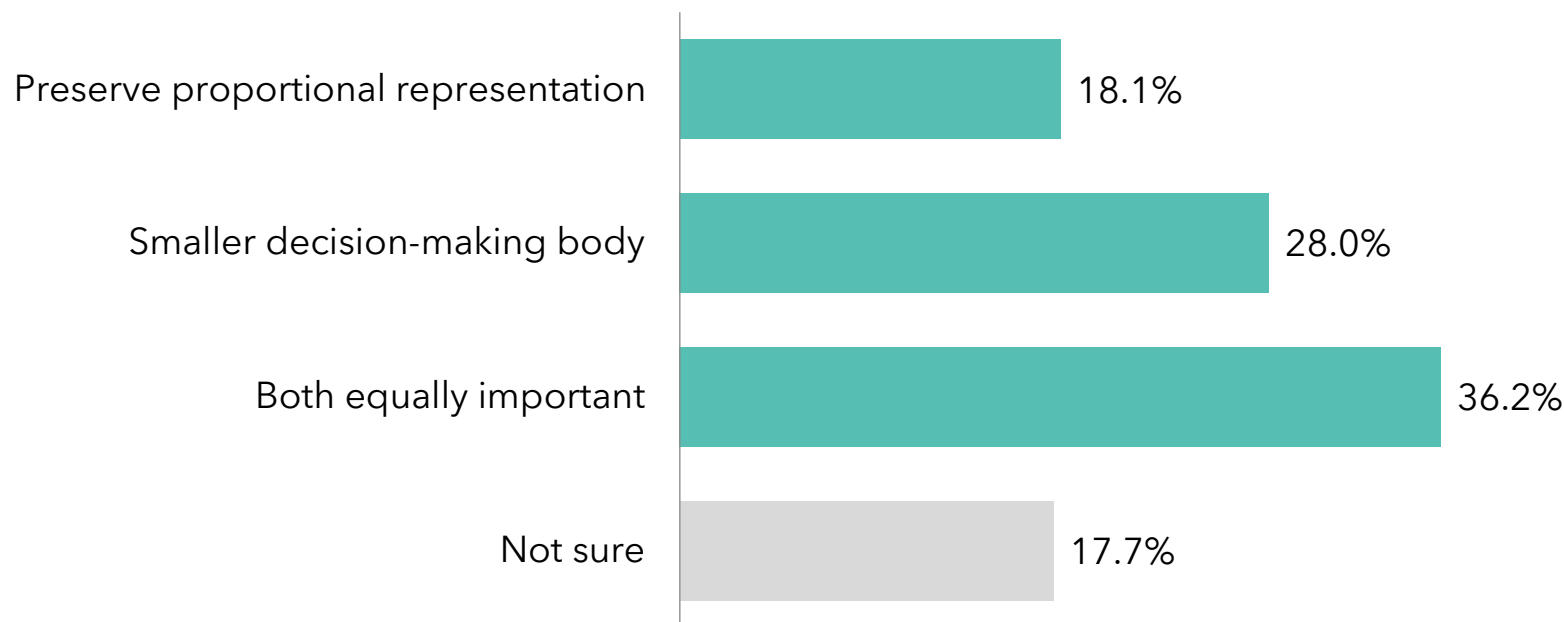


n=1,493

"Never served" respondents were **over 4X** as likely as current governance participants to prefer fewer than 400 members

Alternate Formulas to Reduce Board Size: Survey Findings

When considering the size and composition of C.A.R.'s Board, which should be the greater priority?



n=1,482

*Members with less than two years of tenure were **more than 2X** as likely to be unsure of their preference (30%) than members with more than 35 years of tenure (13%).*

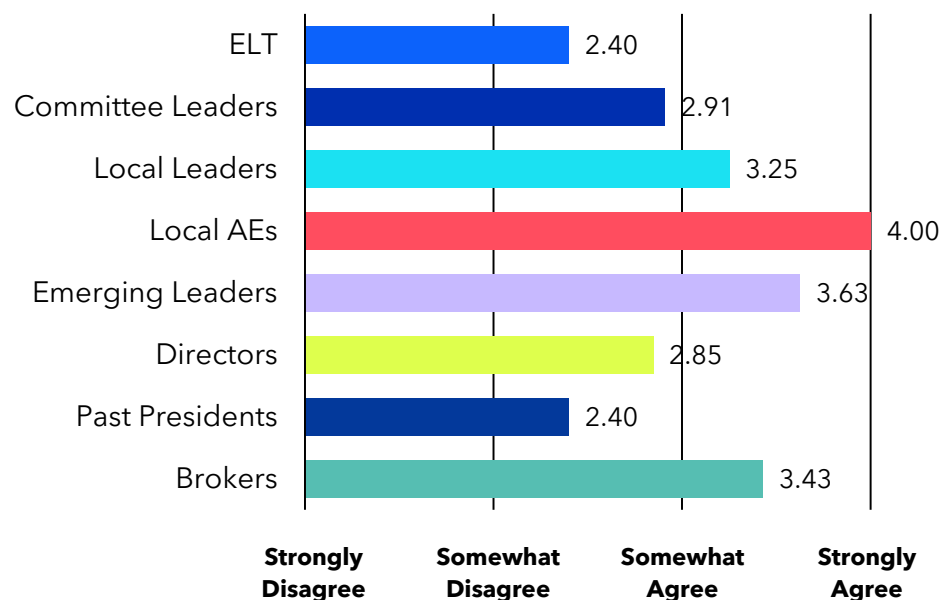
What We Tested: Potential Changes to Directors-for-Life Role

Element	Current State	Potential Change ›
Directors-for-Life	There are 67 Directors-for-Life on the 2026 Board roster. Bylaws allow three Directors-for-Life to be added each year, and the role has unrestricted voting authority	• Sunset the Directors-for-Life designation, allowing current Directors-for-Life to retain their status while eliminating new appointments to the role • Add stipulation that Directors-for-Life who miss two consecutive Board meetings lose their voting authority (already a requirement in Bylaws for other Director positions) • Continue to honor long-serving members in other ways

Potential Changes to Directors-for-Life Role: *Focus Group Findings*

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

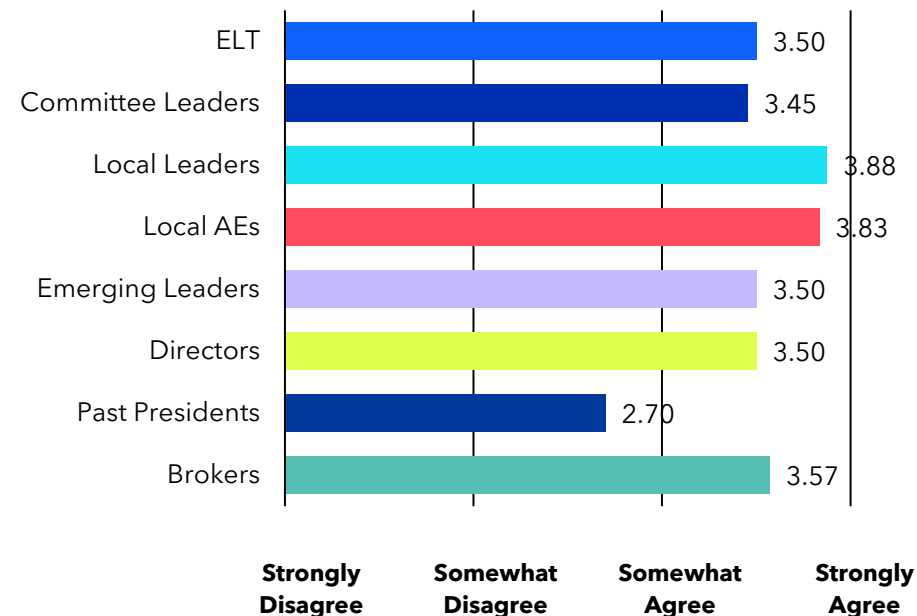
Sunset Directors-for-Life



76%

of focus group respondents agreed or strongly agreed

Directors-for-Life attendance rule



89%

of focus group respondents agreed or strongly agreed

Potential Changes to Directors-for-Life Role: Focus Group Findings

▲ STRENGTHS

- **Addresses funding constraint for local AORs.** Some AORs feel they have to fund Directors-for-Life to go to meetings, which potentially reduces the number of other Directors they're able to send due to budget constraints.
- **Ensures Directors for Life remain active contributors.** Most supported attendance expectations because they reinforce that board seats should be held by members who participate and bring current value to governance discussions.
- **Aligns board composition with active real estate involvement.** Stakeholders who supported sunsetting the role felt board membership should reflect current engagement and contribution in the industry rather than historical service. Some viewed sunsetting as a way to ensure the board evolves with the organization's future needs.

▼ RISKS & WATCHOUTS

- **Missing two consecutive meetings could be too rigid.** Participants cited health issues, personal circumstances, geographic challenges, and other legitimate reasons a highly engaged member may miss multiple meetings.
- **Some questioned whether the issue needs addressing.** Participants frequently asked for more evidence that Directors for Life are creating a governance challenge significant enough to warrant changes to their status.
- **Some preferred a reduction over sunsetting.** Some suggested limiting the number of annual appointments (i.e., from 3 to 1 per year) as a more measured approach.

MEMBER VOICES

"I don't think it's necessary [to sunset Directors for Life]. I think it's really a great to honor these people that have been there 20, 30 years and given so much."

– Past President

"I think a lot of associations probably have rules about if you miss a certain number of meetings or votes, then you can be removed. So I think it should be the same way."

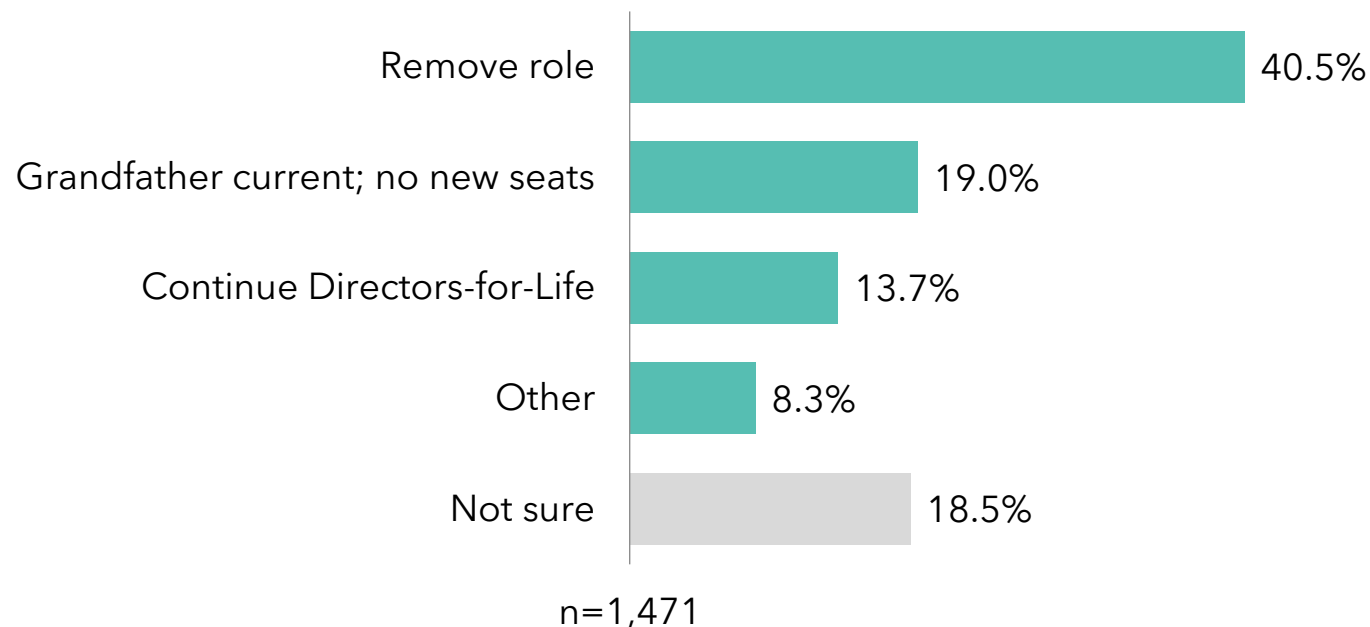
– Local AE

"You want to value their opinion because they have a lifetime of experience, but if they're not showing up, they're coming to meetings two or three years later without understanding what's happened in the last year or two."

– Brokerage Leader

Potential Changes to Directors-for-Life Role: Survey Findings

C.A.R. currently recognizes certain long-serving members as Directors-for-Life. These members retain a permanent seat and voting rights on the Board. There are currently ~65 Directors-for-Life on the Board. Which approach do you prefer going forward?



73% of respondents who expressed an opinion agreed or strongly agreed to reconsider the Directors-for-Life role

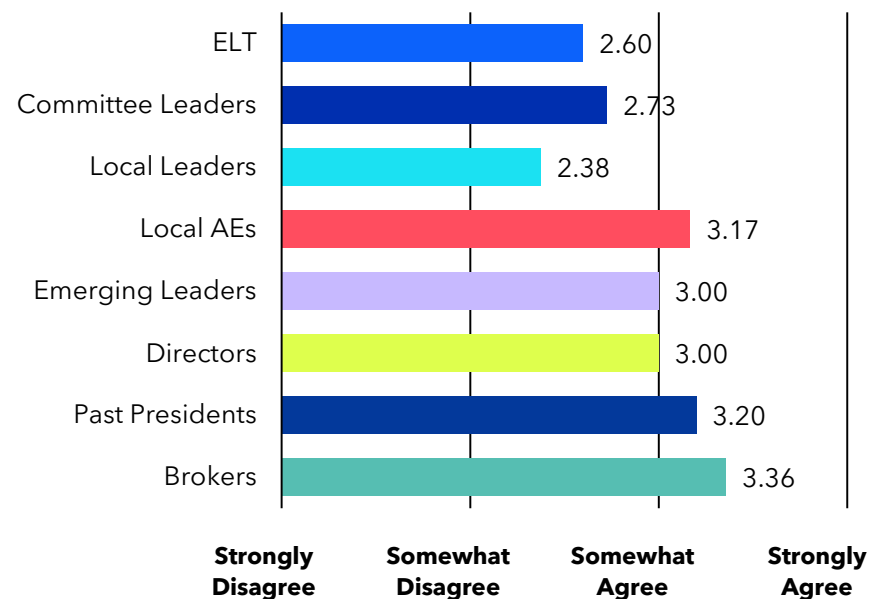
What We Tested: Additional Board Efficiency Recommendations

Element	Current State	Potential Change ›
AOR President Requirement	One local-AOR appointed seat must be filled by the Local AOR President	Remove the requirement, allowing local associations to select any qualified individual who meets the established Director criteria
Immediate Retiring Regional Chairs	Immediate Retiring Regional Chairs (1 per region) automatically serve on the Board in the year following their term	Remove this role as an automatic Director position; retiring Regional Chairs can still serve on the Board via another position

Additional Board Efficiency Recommendations: Focus Group Findings

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

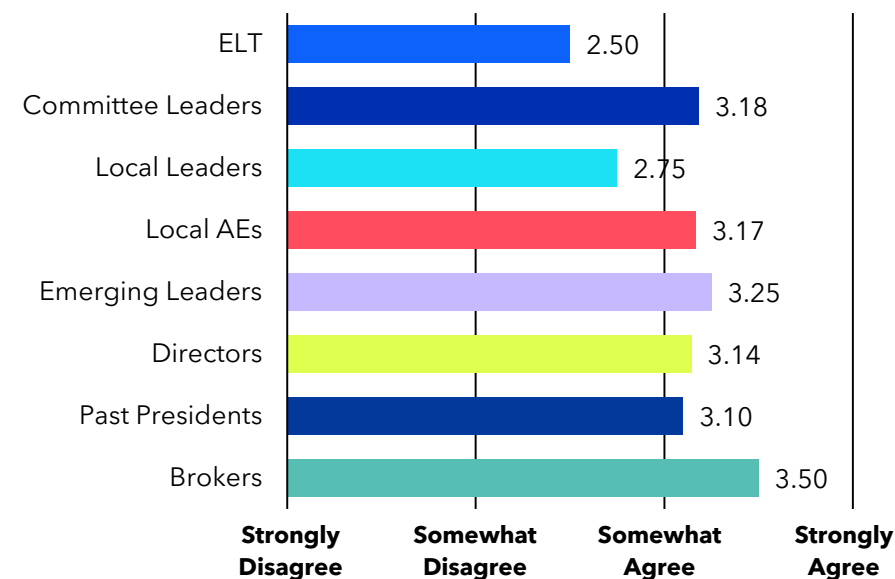
Remove requirement to appoint local AOR president to Board



72%

of focus group respondents agreed or strongly agreed

Remove Immediate Retiring Regional Chair as a Director position



73%

of focus group respondents agreed or strongly agreed

Additional Board Efficiency Recommendations: Focus Group Findings

▲ STRENGTHS

- **Creates flexibility for local AORs to appoint their strongest representatives.** Many liked removing automatic board seats tied to a specific position, allowing associations to select the member best suited for board service regardless of title.
- **Reduces board seats that are based on position rather than contribution.** Supporters felt governance participation should increasingly reflect engagement and capability rather than holding a particular office.

▼ RISKS & WATCHOUTS

- **Local presidents provide an important connection between state and local governance.** Some viewed the president seat as a valuable mechanism for ensuring local association priorities reach the state board.
- **Reduced mentorship and succession support.** Stakeholders frequently noted that new regional chairs often lean heavily on their predecessors for guidance navigating governance processes, stakeholder relationships, and regional dynamics.

MEMBER VOICES

"There are some presidents that come to our meetings just to come to our meetings and are not actively engaged. But if we remove the requirement that they attend and participate at the state meetings, we lose a big connection there. And I also think it sends the wrong message as to why they're becoming local president... As president, it's imperative that we engage them, even if we can't forever, they got to be engaged for a period of time."

– Past President

"The president should be the best person to send."

– Local Leader

"I think having that flexibility is important. We've spent a lot of time talking about how to ensure the people coming to meetings are engaged."

– Committee Leader

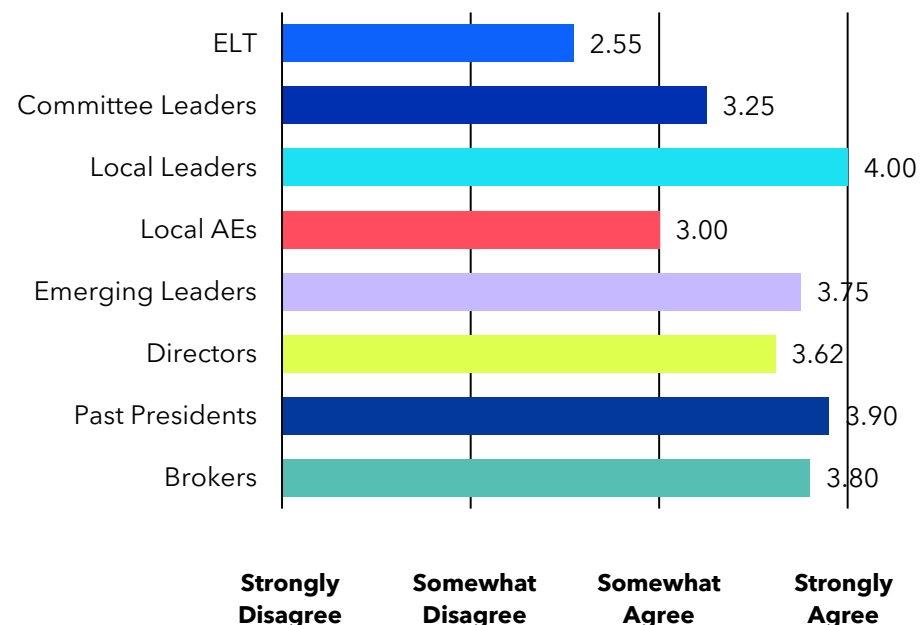
What We Tested: Add Minimum Criteria for Directors

Current State	What to Test ›
Directors must: 1. Be a REALTOR® or REALTOR-ASSOCIATE® member of C.A.R. 2. Hold an active qualifying license, including a California DRE license or certified/licensed appraiser status through the state appraiser authority 3. Commitment to support the mission, strategic priorities, and the operating values of C.A.R.	In addition to the current criteria, all Directors must: 1. Be active in the real estate industry in California. "Active" may include: • Minimum of 2 transactions in California in the last year • Broker/Owner • Manager of an office • Transaction coordinator • Property manager • <i>Additional/Final criteria to-be-defined (e.g., Team Leaders, Sales Reps)</i> 2. Have done at least one of the following: ☐ Served on the Board of a local AOR within the last 2 years ☐ Held elected office in their community ☐ Served as an active SPC / FPC ☐ Served as an active member in a local AOR committee within the last year ☐ Are an active Broker / Owner in CA ☐ <i>Additional/Final criteria to-be-defined</i>

Add Minimum Criteria for Directors: Focus Group Findings

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

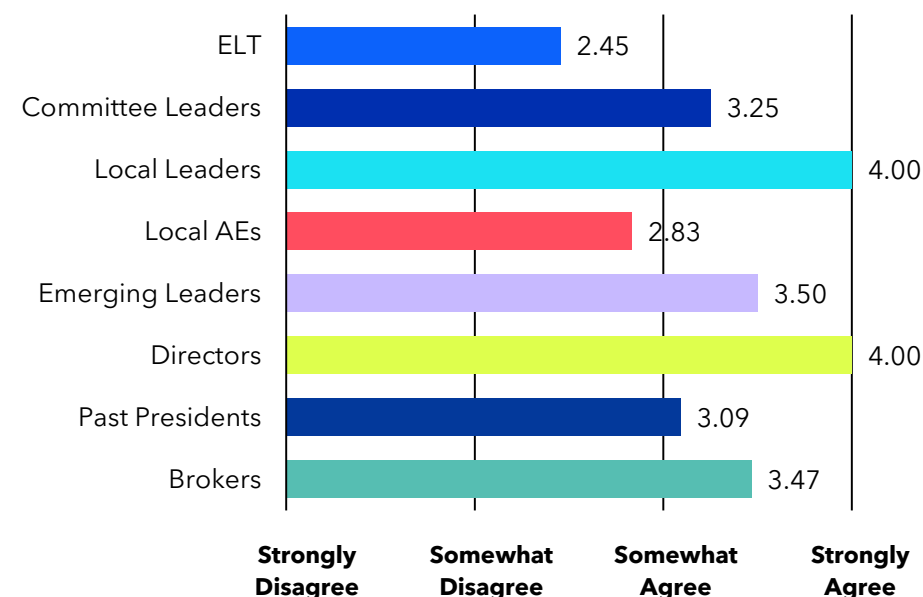
Add an active industry requirement for all Directors



84%

of focus group respondents agreed or strongly agreed

Add a prior experience requirement (all Directors must have done at least one of the following...)



83%

of focus group respondents agreed or strongly agreed

Active Industry Requirement: Focus Group Findings

ORIGINAL CRITERIA TESTED

Be active in the real estate industry in California. "Active" may include:

- ☐ Minimum of 2 transactions in California in the last year
- ☐ Broker/Owner
- ☐ Manager of an office
- ☐ Transaction coordinator
- ☐ Property manager
- ☐ Additional/Final criteria to-be-defined

ADDITIONAL FOCUS GROUP IDEAS

- ☐ *Broaden the transaction lookback window from one year to 2-3 years, to avoid excluding people due to life circumstances*
- ☐ *Reassess whether 2 transactions per year is a sufficient threshold, as some participants felt that amount may be too low to demonstrate meaningful current market engagement*
- ☐ *Add referrals as an indicator of active industry participation, not just closed transactions*
- ☐ *Add team leaders, who may function similarly to small owners within a larger brokerage*
- ☐ *Add lending / mortgage-related roles and make the definition less residential-centric*

Experience Requirement: Focus Group Findings

ORIGINAL CRITERIA TESTED

Have done at least one of the following:

- ☐ Served on the Board of a local AOR within the last 2 years
- ☐ Held elected office in their community
- ☐ Served as an active SPC / FPC
- ☐ Served as an active member in a local AOR committee within the last year
- ☐ Are an active Broker / Owner in CA
- ☐ *Additional/Final criteria to-be-defined*

ADDITIONAL FOCUS GROUP IDEAS

- ☐ *Served on a C.A.R. committee*
- ☐ *Served on a national / NAR committee or role*
- ☐ *Held relevant civic or community leadership experience*
- ☐ *Completed a local application or interview process pathway to avoid excluding candidates with nontraditional but relevant experience*
- ☐ *Completed professional development / education (e.g. C2EX)*

Add Minimum Criteria for Directors: Focus Group Findings

▲ STRENGTHS

- **Ensures directors remain connected to current industry realities.** Most supported an active industry requirement, believing Directors should have a current understanding of market conditions in order to meaningfully consider issues before the Board.
- **Raises the baseline.** Many felt prior involvement in local, state, or committee leadership would help directors contribute more effectively.

▼ RISKS & WATCHOUTS

- **Defining “active” could unintentionally exclude valuable contributors.** Some cautioned that industry engagement needs to extend beyond transaction volume and should include a wide enough net to capture various aspects of real estate.
- **May limit leadership pathways and reduce pool of eligible candidates.** Some worried prior experience requirements could make it harder for newer members to enter governance and for AORs to find qualified volunteers – which is already a struggle for many today.
- **Verification and enforcement remain unclear.** Participants questioned how qualification standards would be administered and expressed concern about creating overly burdensome compliance processes.

MEMBER VOICES

“If you're going to have fewer, you better raise the bar on the ones you have.”

– Director

“I think a lot of improvement can be made simply just from the local associations having more of those requirements in place ourselves.”

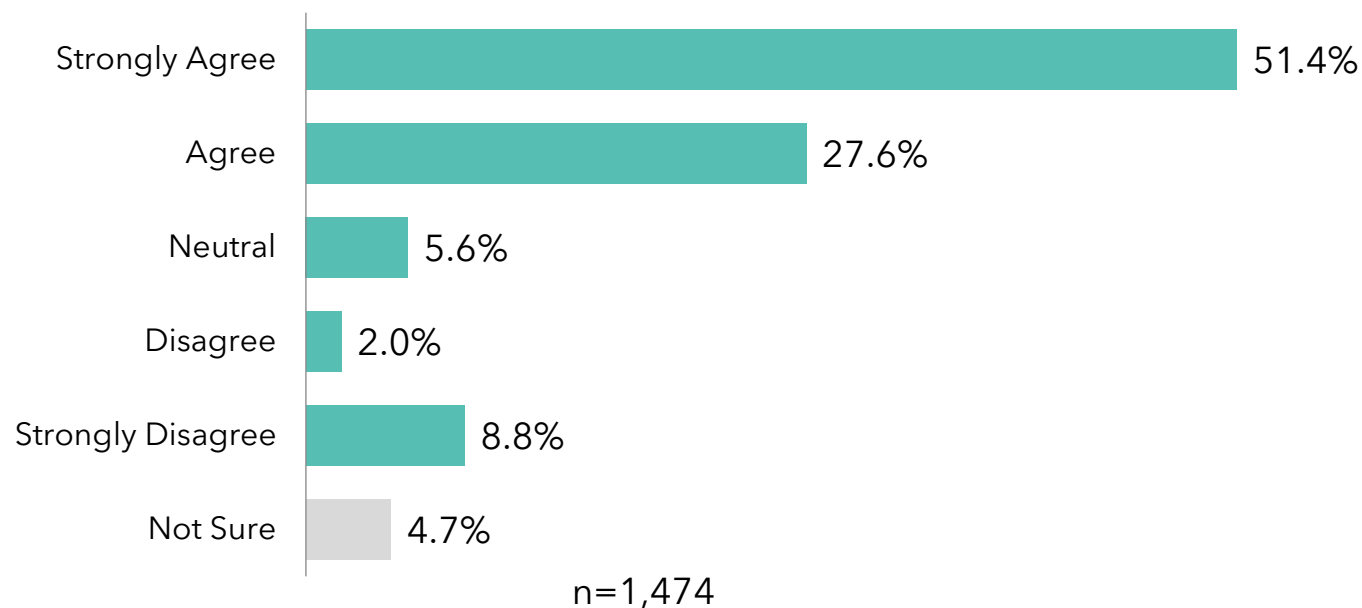
– Local AE

“I have met so many people at these meetings who haven't done a transaction in five or six years. How are you going to be giving any kind of real information or have any comfort when you're making these kinds of decisions and things you're voting on at C.A.R? So I definitely think you should be active.”

– Emerging Leader

Add Minimum Criteria for Directors: Survey Findings

To what extent do you agree or disagree: All Directors on C.A.R.'s Board should be required to be active in the real estate industry in California. Active could include requirements such as representing buyers, sellers, property owners or tenants in real estate transactions, representing clients in other transactions requiring a real estate license, managing or owning a brokerage, managing an office, coordinating transactions, or managing properties, etc.



79% of respondents agreed or strongly agreed with an active industry requirement

01 Board Efficiency

02 Regional Structure

03 Executive Committee

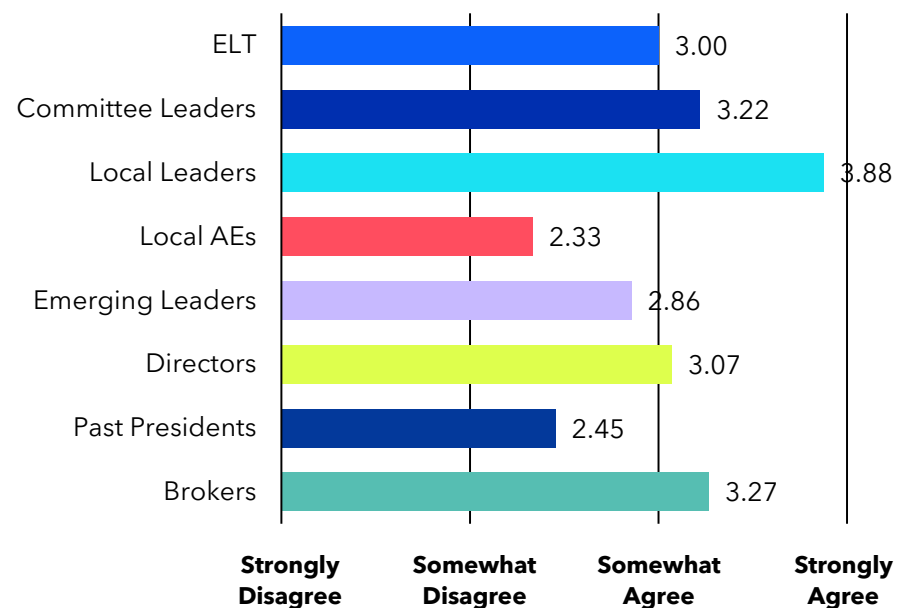
What We Tested: Redraw Regional Map to Drive More Consistency

Element	Current State	Potential Change ›
Regional Map	There are currently 30 regions that vary dramatically in size: • ~500 to ~15K members per region • 10 to 66 directors per region • 1 to 9 AORs per region	• Redraw the regional map with the goal of consolidating to 15-22 regions • To guide map redraw, establish minimum thresholds for the number of AORs (no more single-AOR regions), members, and Directors within each region

Redraw Regional Map: Focus Group Findings

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

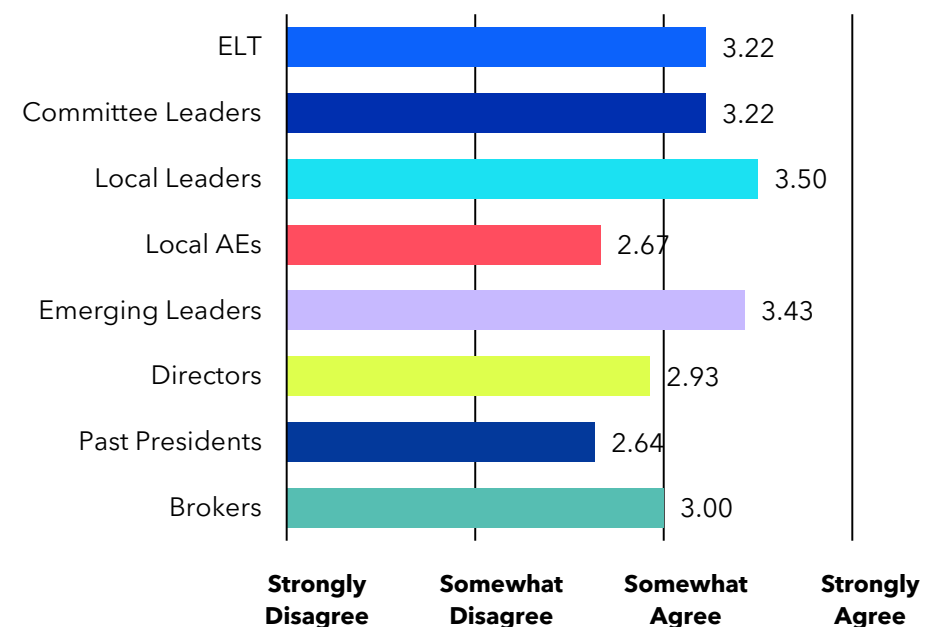
Redraw regional map



75%

of focus group respondents agreed or strongly agreed

Add minimum thresholds for regions



74%

of focus group respondents agreed or strongly agreed

Redraw Regional Map: Focus Group Findings

▲ STRENGTHS

- **Provides an opportunity to better align regions with more consistency.** Participants acknowledged that the regional structure has evolved over time and many were open to evaluating whether the current map still reflects how members engage today.
- **Encourages periodic evaluation of whether the governance structure remains fit for purpose.** Even stakeholders who were unsure about changing the map supported revisiting assumptions about how regions are organized.

▼ RISKS & WATCHOUTS

- **Smaller associations could lose influence within larger consolidated regions.** Many stakeholders worried that combining regions would increase the influence of larger AORs and make it harder for smaller organizations to compete for leadership opportunities.
- **Existing regional relationships and local dynamics will make a redesign difficult.** Participants emphasized that regions reflect long-standing relationships, political realities, and ways of working that are not easily captured through membership counts or geographic proximity alone, and questioned whether C.A.R. was in the best position to consider those dynamics.
- **Some stakeholders questioned the regional model itself.** Several participants, particularly some AEs, were less focused on how regions should be redrawn and more focused on whether geography remains the right organizing principle at all.
- **Rotations could prioritize whose turn it is over who is most qualified.** Many respondents who did not like the idea of rotating Regional Chair appointments felt it should be about who is most qualified, not which association's "turn" it is to appoint a chair.

MEMBER VOICES

"I think the regions have very distinct needs and very distinct ways of conducting business."

– Brokerage Leader

"I think for the most part, the regions do a pretty decent job."

– Past President

"I think the minimum threshold is very important. We're having problems with regions that don't have enough directors to properly attend the meetings and report back to caucus. Functionally, in order to have the region operate how we expect it to, having that minimum will hold the region accountable and help people join forces"

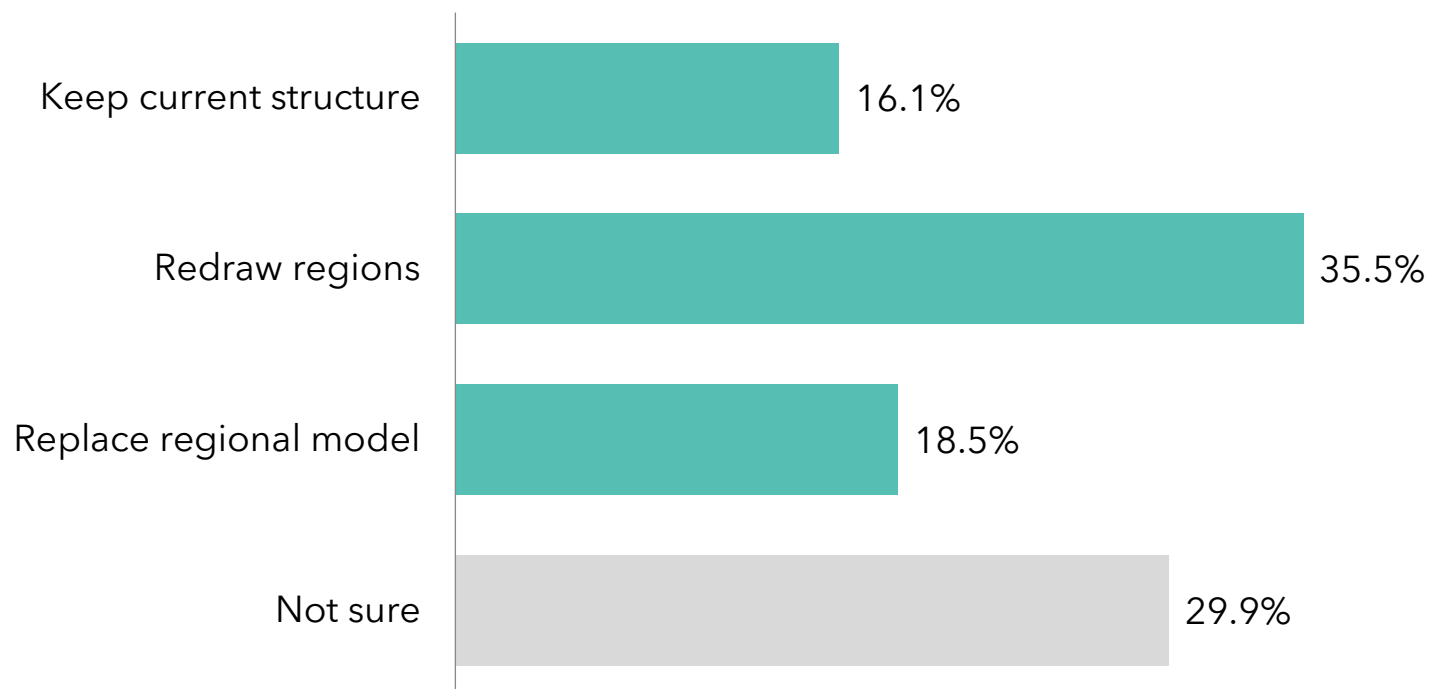
– Extended Leadership Team member

"I don't see why the juice would be worth the squeeze to consolidate regions down just a little bit."

– Local AE

Redraw Regional Map: Survey Findings

Which comes closest to your view of C.A.R.'s regional structure?



n=1,425

When asked what should guide a redraw of C.A.R.'s regions, members consistently prioritized:

1. Geographic continuity (36.8%)
2. Shared interests/issues (35.6%)
3. Shared state legislators (20.4%)

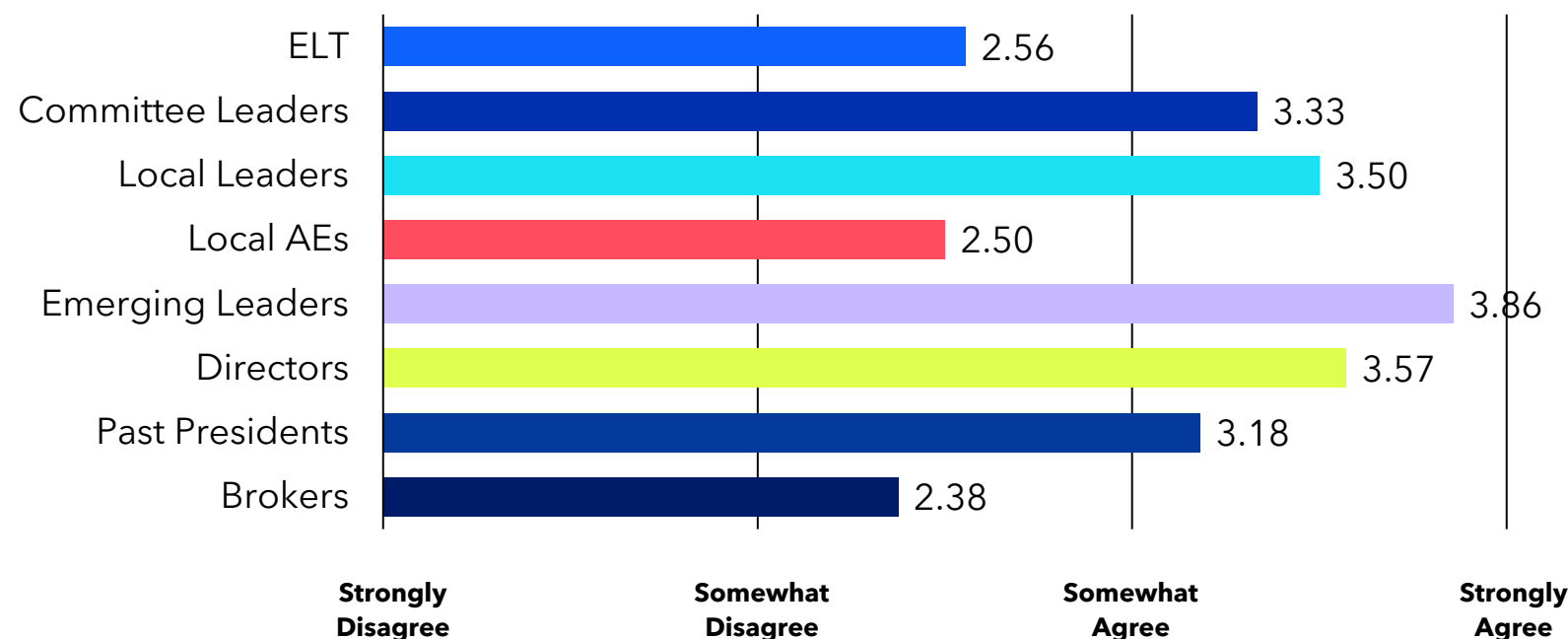
What We Tested: *Regional Chair Rotation and Criteria*

Element	Current State	Potential Change ›
Regional Chair Selection	While many multi-AOR regions currently rotate Regional Chair appointments across AORs, there is no C.A.R. requirement to do so.	Add a requirement to rotate appointments so that each AOR has the opportunity for a representative from their AOR to serve as Regional Chair; if an AOR does not have an interested candidate, they can pass
Regional Chair Qualifications	C.A.R. requires Regional Chairs to have served at least 2 full terms as a Director. Regions may establish additional criteria but are not required to do so.	To be discussed as group

Regional Chair Rotation: Focus Group Findings

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

Add requirement to rotate Regional Chair appointments in multi-board regions



74%

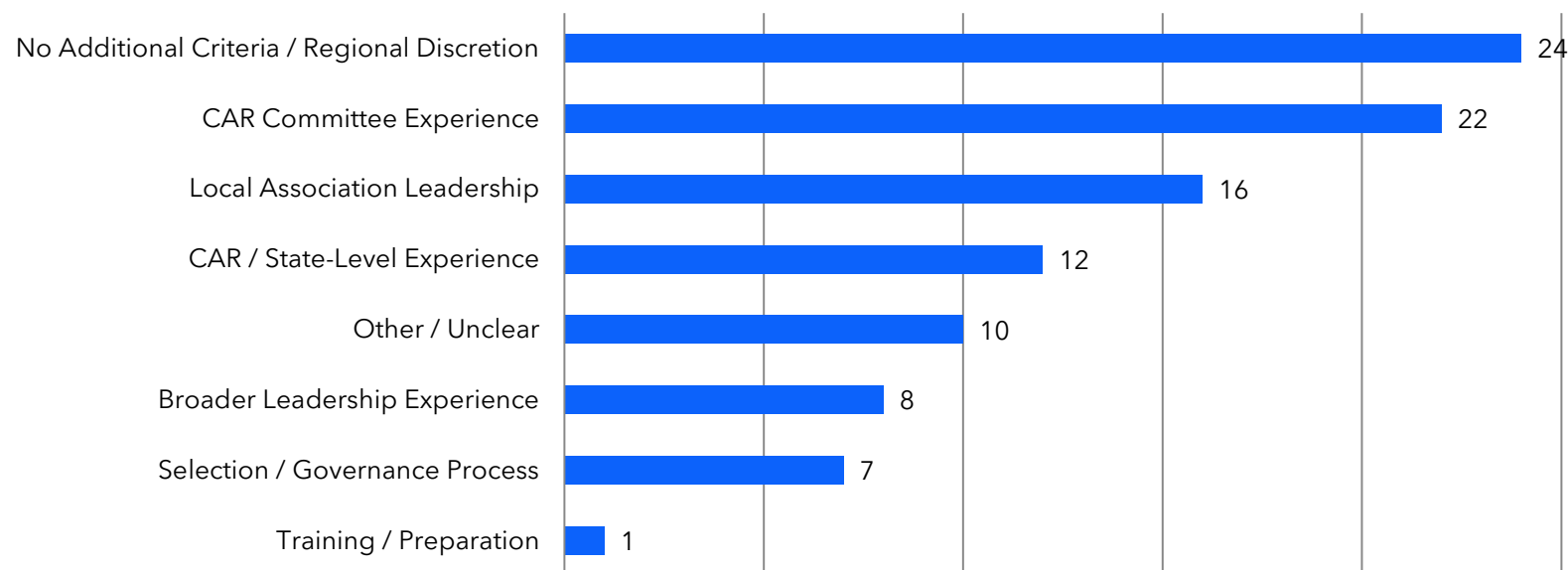
of focus group respondents agreed or strongly agreed

74%

of multi-board Regions (17 of 23 regions) reported rotating Regional Chair roles among local AORs

Regional Chair Criteria: Focus Group Findings

Focus Groups: What additional pre-requisites or criteria should C.A.R. establish for Regional Chairs? (open response)
(number of times mentioned)



*Several responses contained multiple themes. 80 responses were received, 100 themes coded.

30%

of focus group responses felt no additional criteria are needed

Regional Chair Rotation and Criteria: Focus Group Findings

▲ STRENGTHS

- **Creates a more equitable pathway to regional leadership.** Many participants viewed rotation as an important safeguard to give all members opportunities to grow in leadership, particularly if small AORs are consolidated with larger AORs within a region.
- **Additional requirements could improve consistency in leadership readiness.** Stakeholders who supported stronger Regional Chair qualifications felt the role carries significant influence and should have baseline expectations around governance experience, leadership involvement, and organizational knowledge.

▼ RISKS & WATCHOUTS

- **Regions should retain autonomy to select their strongest candidates.** Stakeholders who opposed additional requirements generally felt regions are already identifying capable leaders today and should maintain flexibility to choose candidates based on local knowledge rather than statewide criteria.
- **Leadership positions should remain merit-based.** The most common concern was that rotation could prioritize geography over identifying the strongest available candidate.
- **Rotation alone does not address broader leadership pipeline challenges.** Several stakeholders noted that leadership readiness depends more on development, engagement, and mentorship than on rotational requirements.

MEMBER VOICES

"In my experience, oftentimes, it's a popularity contest... So I think that we do definitely have to have some minimum standard. And I do like the idea of leaving it to the regions, but I think that we do have to have some kind of guidelines."

- Brokerage Leader

"I wasn't really excited about it because I'm not sure that this shouldn't be left up to the regions to have their own policy procedures manual on how they select their regional chair."

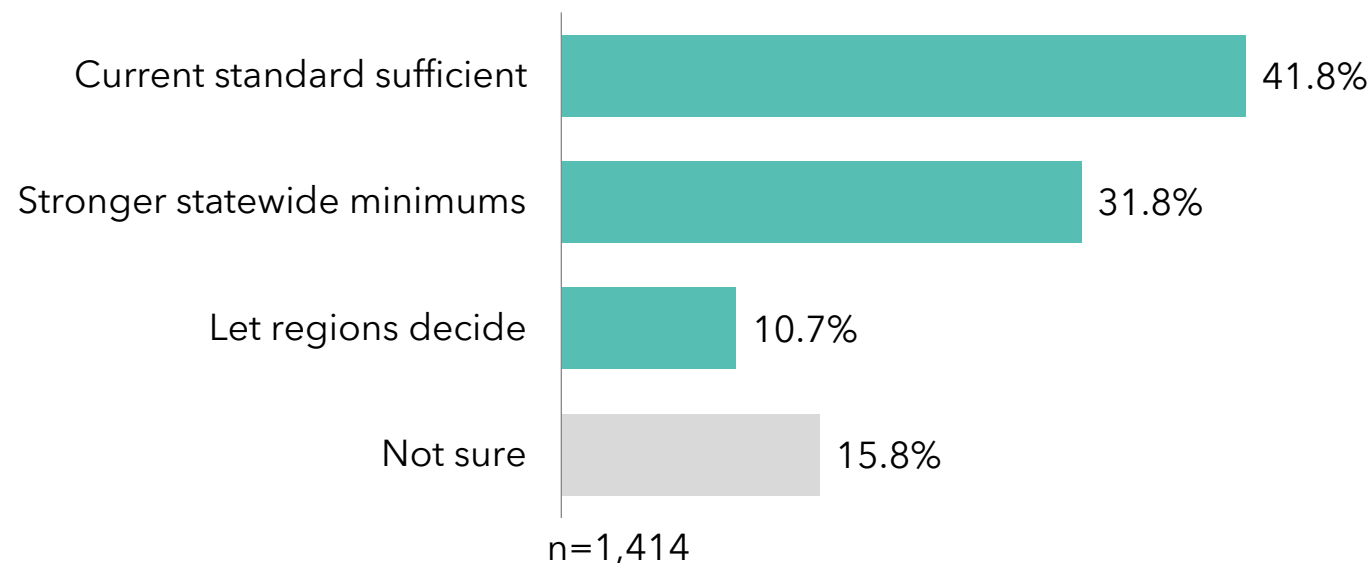
- Local Leader

"We are very respectful in our region that it's important for those smaller associations to also be Regional Chairs"

- Past President

Regional Chair Criteria: Survey Findings

C.A.R. requires Regional Chairs to have at least 2 years of prior experience serving on the C.A.R. Board of Directors. Individual regions may establish additional requirements on top of that baseline. What do you think of the current qualification standard?



Members with 11-35 years of tenure were most supportive of stronger statewide minimum qualifications for Regional Chairs (~34%), while members with more than 35 years of tenure were most likely to support maintaining the current requirement (45%).

Regional Chair Criteria: Regional Chair Survey Findings

What criteria or prerequisites, if any, does your region have for someone to serve as Regional Chair?

**23 of 30
regions**

**15 of 30
regions**

**11 of 30
regions**

**5 of 30
regions**

Local Association
Leadership

C.A.R. / State-Level
Experience

C.A.R. Committee
Experience

Broader Leadership
Experience

77%

REGIONS

*reference having
prior local association
leadership as a pre-
requisite for Regional
Chairs*

Note: Themes are not mutually exclusive. Each region may be represented in more than one category but is counted only once within each category.

01 Board Efficiency

02 Regional Structure

03 Executive Committee

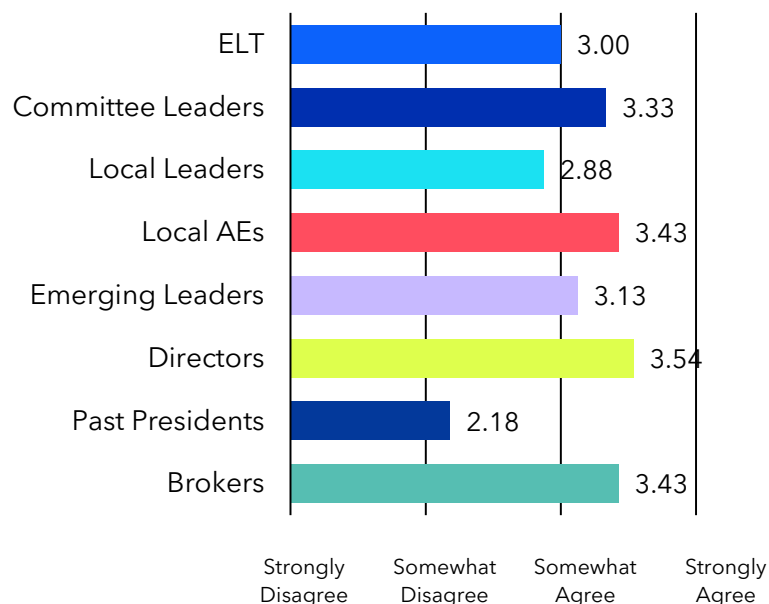
What We Tested: *Adjust the Executive Committee*

Element	Current State	Potential Change ›
Terms	1-year term (2-year for Treasurer)	Establish staggered 2-year terms for Executive Committee members
Selection	4 Leadership Team members are automatically appointed. 12 remaining members are appointed by the President (see criteria below)	For the 12 remaining members, shift appointment authority from the President to the full Leadership Team
Criteria	16 voting members 4 Leadership Team (President/Chair, President-Elect, Treasurer, most recent eligible Past President) 12 Directors: 1 current Regional Chair, 1 former Regional Chair (served within last 3 years), 1 local AE, 9 additional Directors	- Establish competency-based requirements to ensure key expertise is reflected on the Executive Committee, such as: - Min. 1 member who has served on an MLS Board - Min. 1 member who has served as a Chair of a C.A.R. Policy Committee - Min. 1 Broker/Owner managing at least X agents <i>Additional criteria TBD...</i>

Adjust the Executive Committee: Focus Group Findings

Ratings use a 4-point Likert scale with no neutral option: Strongly Disagree, Somewhat Disagree, Somewhat Agree, Strongly Agree.

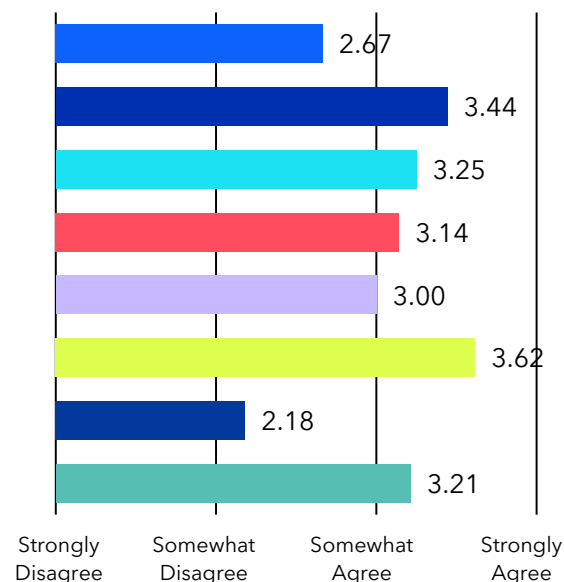
Staggered 2-Year Terms



75%

of focus group respondents agreed or strongly agreed

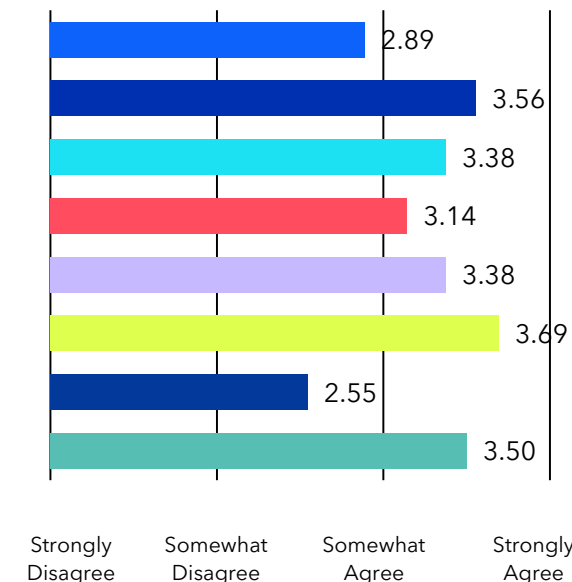
Appointment by Full Leadership Team



73%

of focus group respondents agreed or strongly agreed

Competency-Based Composition



82%

of focus group respondents agreed or strongly agreed

Competency-Based Composition: Focus Group Findings

ORIGINAL CRITERIA TESTED

Establish competency-based requirements to ensure key expertise is reflected on the Executive Committee, such as:

- ☐ Min. 1 member who has served on an MLS Board
- ☐ Min. 1 member who has served as a Chair of a C.A.R. Policy Committee
- ☐ Min. 1 Broker/Owner managing at least X agents
- ☐ Additional criteria TBD....

ADDITIONAL FOCUS GROUP IDEAS

- ☐ *Broaden broker representation to include small and large broker perspectives*
- ☐ *Include broker associate / REALTOR® sales agent perspective*
- ☐ *Reflect affinity / cultural organization perspectives*
- ☐ *Avoid rigid box-checking; allow one person to satisfy multiple criteria*

Adjust the Executive Committee: Focus Group Findings

▲ STRENGTHS

- **Strengthens continuity and institutional knowledge.** Stakeholders generally supported staggered terms and broader appointment participation as mechanisms for maintaining momentum across leadership transitions and reducing year-to-year turnover.
- **Positions the Executive Committee as a more strategic, expertise-based body.** Those who supported competency-based requirements emphasized that executive-level governance roles should reflect demonstrated leadership, governance experience, and strategic capabilities.
- **Broadens perspectives in the appointment process.** Stakeholders viewed involving the full leadership team in appointments as a way to improve continuity, reduce reliance on a single individual, mitigate favoritism-based choices, and bring greater balance to Executive Committee.

▼ RISKS & WATCHOUTS

- **May make it harder to adjust committee composition.** Extending terms could limit flexibility if leadership needs or organizational priorities change.
- **Some questioned whether the current model is broken.** Some felt either the Executive Committee works well today, so there's no need to change it, or that Executive Committee is not a well-utilized body with decision-making authority, so makeup might not matter.
- **Preserve presidential discretion.** Avoid overly prescriptive Executive Committee requirements that limit the President's ability to select trusted advisors.

MEMBER VOICES

"I thought there would be more engagement [on Executive Committee]. I thought there would be more conversations and more collaboration and decision making than there was."

– Local Leader

"I do like the fact that the presidents are able to choose because a lot of times they have the opportunity to really get to know who their members are... Sitting on the executive team... the first time I served, I was lost. I didn't know what was going on."

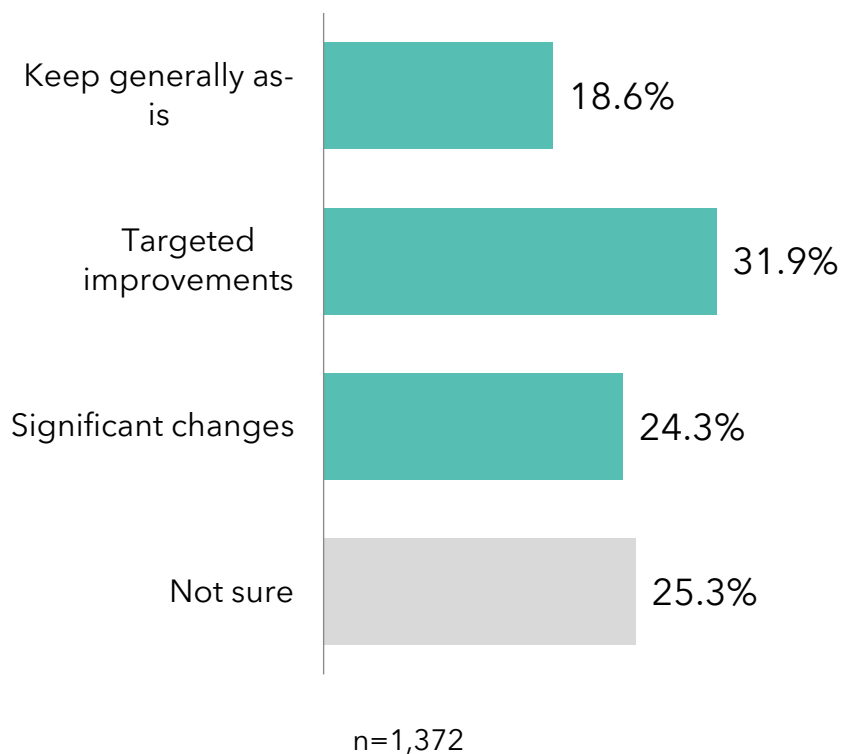
– Emerging Leader

"I think the president should put the people that he trusts, the people that he thinks will be beneficial for him to make decisions going forward."

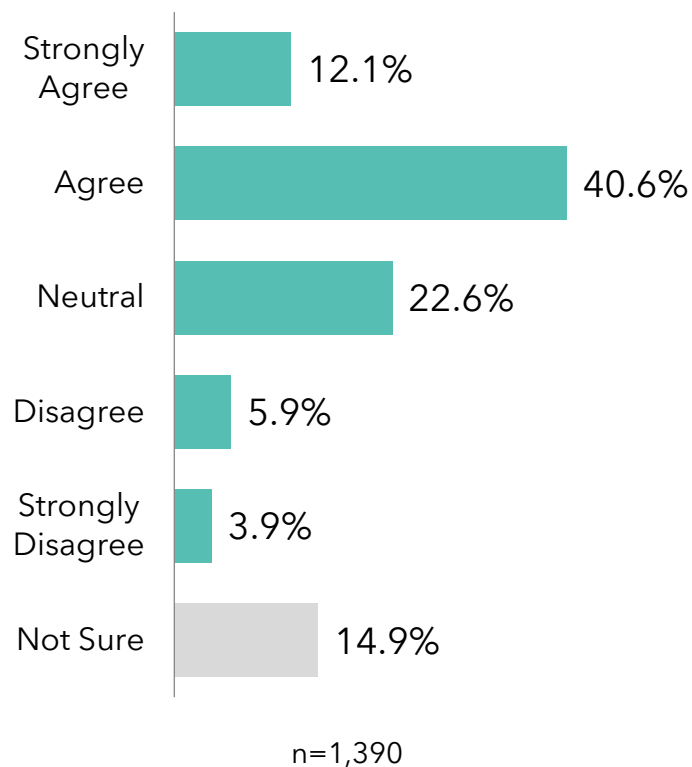
- Brokerage Leader

Adjust the Executive Committee: Survey Findings

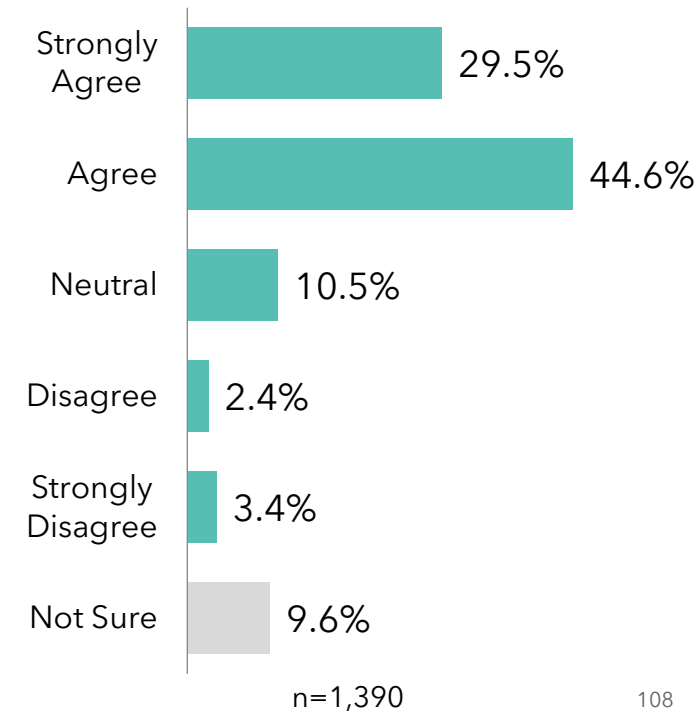
Which of the following comes closest to your view on the future structure of C.A.R.'s Executive Committee?



C.A.R. is considering moving to 2-year, staggered terms for the appointed Executive Committee members. To what extent do you agree or disagree with this potential change?



To what extent do you agree or disagree that the Executive Committee should be structured to ensure the group as a whole represents a defined mix of skills and real estate industry experience?





Additional Survey Details

Regional Survey overview

Regional Survey

Audience: RC, Assistant RC, Immediate Past RC, AE

Opened: Monday, 8/24

Closed: Friday, 8/28

107

RESPONSES

30

REGIONS REPRESENTED

All regions responded

RESPONDENT ROLES



REGIONAL SURVEY OVERVIEW

TOPIC

QUESTION DETAILS

Respondent Profile

- Regional role
- Region represented

Regional Processes

- Primary responsibilities (including between meetings)
- Regional Chair criteria & prerequisites
- Regional Chair identification & nomination
- Regional Chair selection
- Succession process (formal or informal) & typical path
- Immediate Retiring Regional Chair role & responsibilities
- Regional Chair rotation among AORs
- Regional Chair preparation, orientation, & transition
- Regional Chair term limits
- Regional Chair governance practices documentation
- Nominating Committee representative selection
- Additional Regional Chair operating context

Member survey overview

All Member Survey

Audience: All C.A.R. Members

Opened: Wednesday, 8/19

Closed: Friday, 8/28

1.84K
RESPONSES

95

ALL LOCAL ASSOCIATIONS
REPRESENTED

494

BROKER-OWNERS
27% of respondents

C.A.R. GOVERNANCE INVOLVEMENT



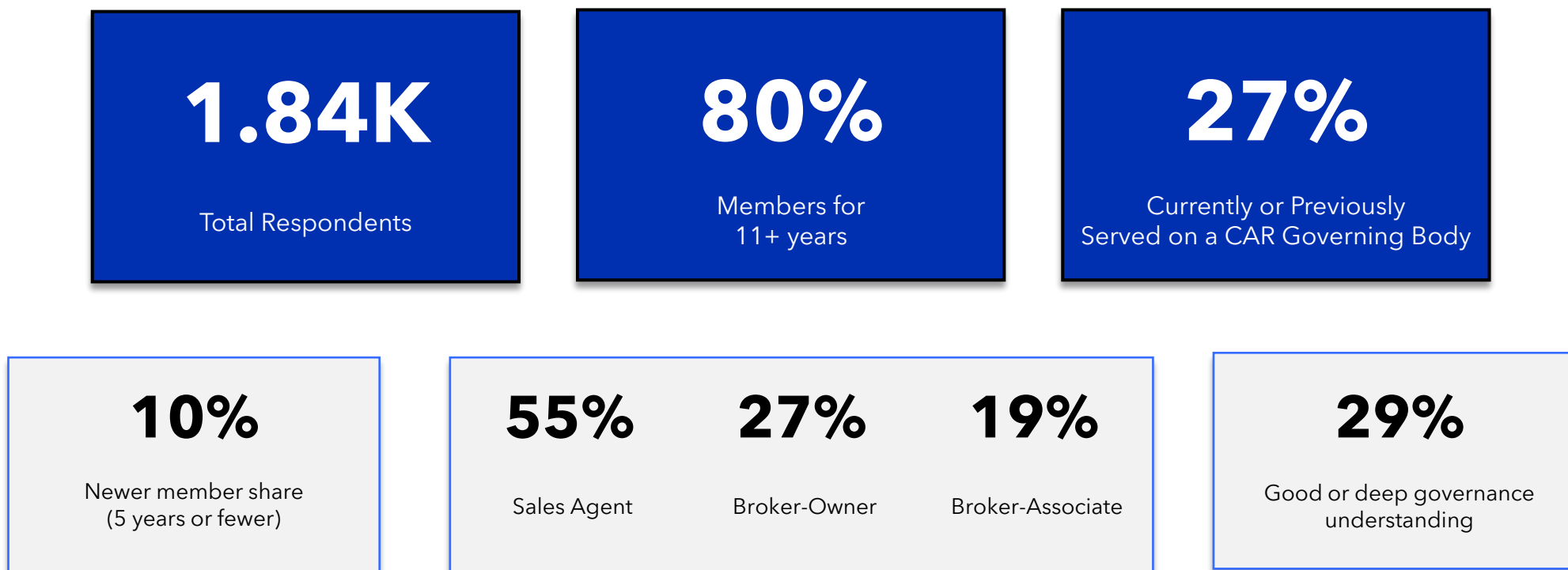
MEMBER SURVEY OVERVIEW

TOPIC	QUESTION DETAILS
Background	- Membership tenure - Role in real estate and brokerage size (if applicable) - Local AOR membership - C.A.R. & local AOR governance experience - Self-rated governance understanding
Current State	- Board size effectiveness - Committee structure effectiveness - Qualifications & readiness - Regional effectiveness - Biggest challenges with governance (open response)
Board Efficiency	- Board size (views on changes, tradeoffs, preferred size) - Active industry requirement - Directors-for-Life
Regional Structure	- Views on future structure (keep, redraw, replace) - Criteria and priorities for redrawing regions - Regional Chair qualifications (open response)
Executive Committee	- Views on future structure 2-year staggered terms - Defined mix of skills and industry experience
Open Feedback	Additional changes that would make the biggest positive difference to C.A.R. governance (open response)

Member survey demographics

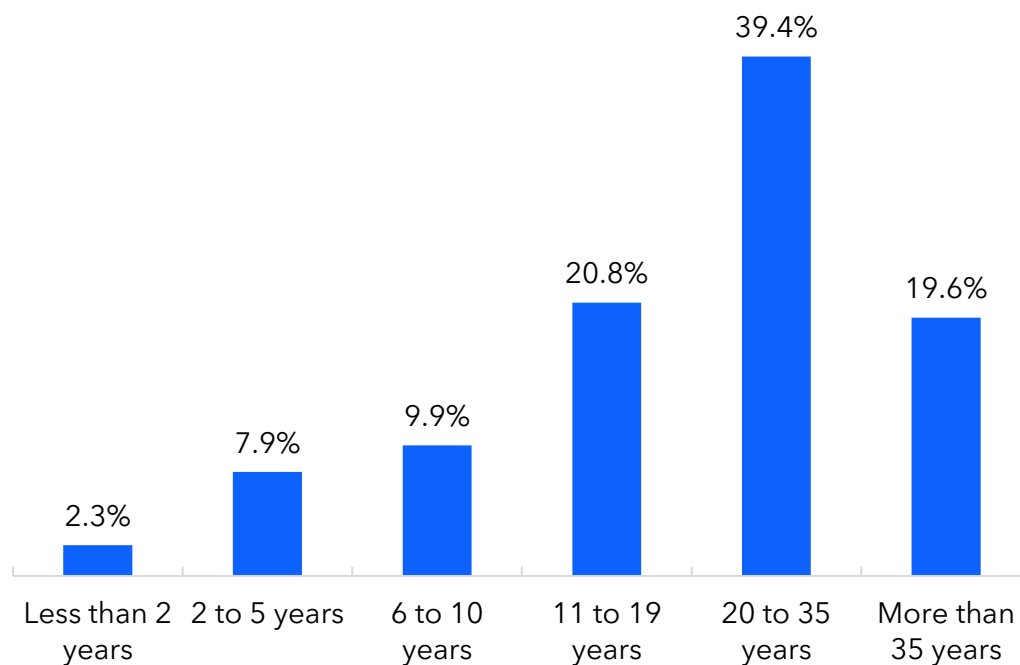
Active members of C.A.R. provided their feedback on the current state of governance and perspectives on how it can evolve.

Respondent Snapshot



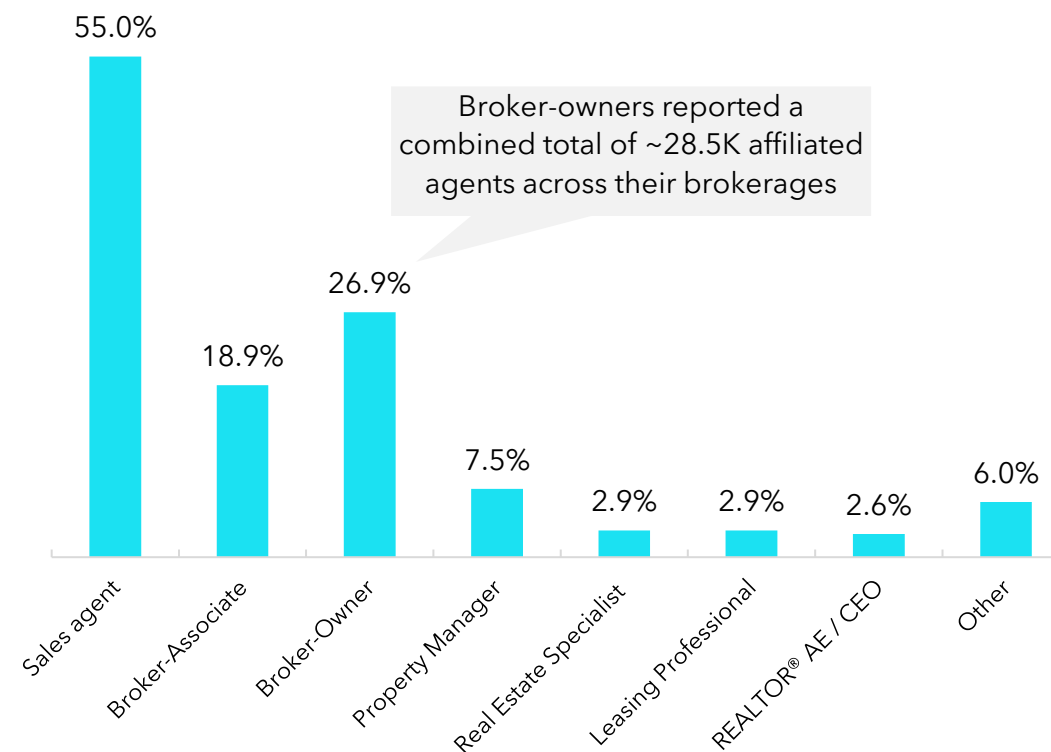
Member survey demographic details

How long have you been a member of C.A.R.?



n = 1,835

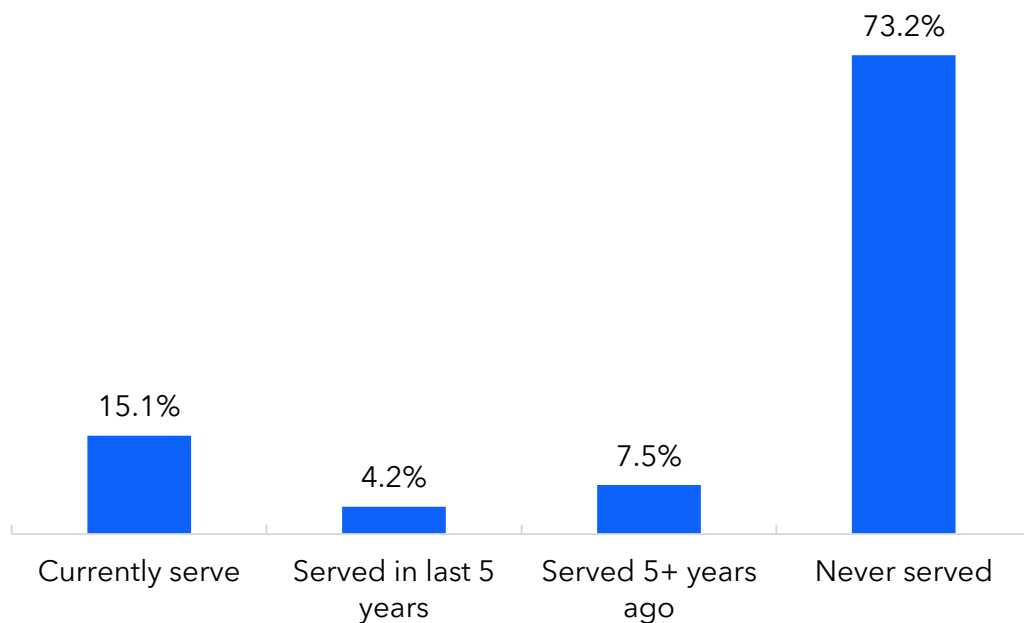
What is your Main function in real estate?
(Select all that apply)



n = 2,254

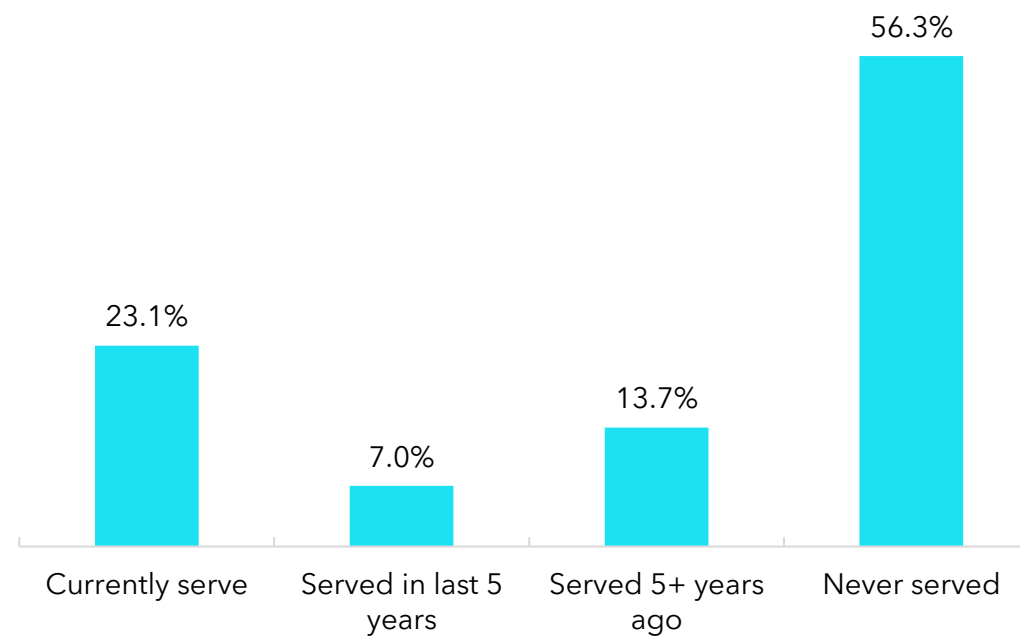
Member survey *demographic details*

Do you currently or have you ever served on a C.A.R. governing body (Board of Directors, Committee, Executive Committee, Leadership Team)?



n = 1,740

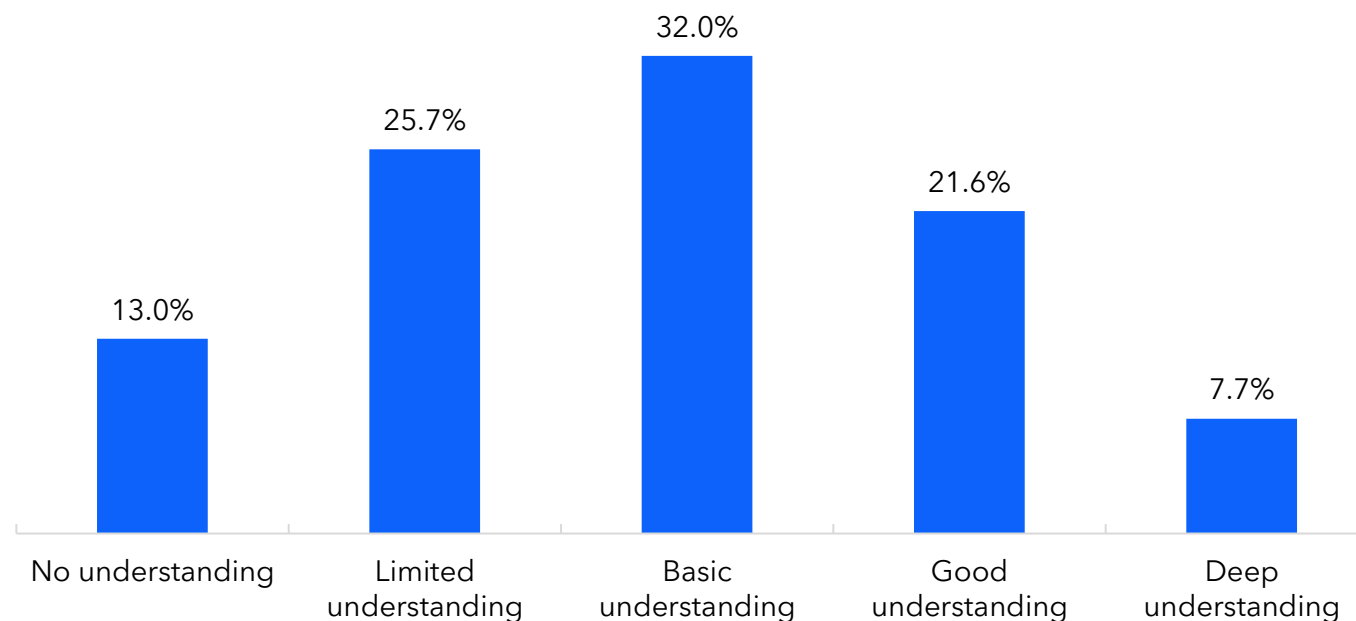
Do you currently or have you ever served on a Board or Committee for a local REALTOR® association?



n = 1,734

Member survey *demographic details*

**How would you rate your understanding of C.A.R. governance today
(i.e., what the governing bodies are, how they are structured, how
members are chosen to serve in governance roles, etc.)?**



n = 1,742

APPENDIX E

Other Recommendations Considered

Recaps alternative models the Task Force explored but did not advance.



01 Initial recommendations considered but not member tested

02 Additional recommendations considered after member testing

BOARD COMPOSITION

Alternate A: Adjust the *current* formula

The Task Force explored multiple examples of reducing the target delegate count (currently 750) which increases the number of members represented by each delegate while decreasing the total number of delegate seats.

$$\text{Number of Delegates} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 750)}$$

Minimum Representation Rules
 < 100 members → 2 Delegates
 ≥ 100 members → Min. 3 Delegates

Example 1

Example 2

ASSOCIATION INFORMATION				CURRENT TARGET (750)		Lower Target to 465		Lower Target to 200	
Size Tier	Local AORs	% of Total Members	Delegate Seats Allocated (based on Bylaws formula)	Delegate-Only Seats Filled in 2026	% of Delegate Seats Filled by AOR Size	Delegate Seats Allocated	% of Delegate Seats Allocated	Delegate Seats Allocated	% of Delegate Seats Allocated
Under 500	37	4%	102	96	17%	102	18%	102	29%
500-999	15	6%	48	46	8%	45	8%	45	13%
1,000-2,499	18	16%	118	108	19%	73	13%	54	15%
2,500-4,999	15	29%	220	147	26%	135	24%	58	17%
5,000+	10	45%	337	167	30%	209	37%	91	26%
Total Delegates	95	100%	825	564	100%	564	100%	350	100%
Total Board				821		821		607	

No change to Board size

▼ 214 Board Seats

BOARD COMPOSITION

Alternate B: Use *equal* seats

The Task Force explored a more fundamental change, replacing the current membership-based formula with equal representation for all local associations (e.g., 2 delegate seats per association), regardless of membership size.

$$\text{Number of Delegates} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 750)}$$

Minimum Representation Rules

- < 100 members → 2 Delegates
- ≥ 100 members → Min. 3 Delegates

Example 1

Example 2

ASSOCIATION INFORMATION				CURRENT TARGET (750)		2 per AOR		1 per AOR (President)	
Size Tier	Local AORs	% of Total Members	Delegate Seats Allocated (based on Bylaws formula)	Delegate-Only Seats Filled in 2026	% of Delegate Seats Filled by AOR Size	Delegate Seats Allocated	% of Delegate Seats Allocated	Delegate Seats Allocated	% of Delegate Seats Allocated
Under 500	37	4%	102	96	17%	74	39%	37	39%
500-999	15	6%	48	46	8%	30	16%	15	16%
1,000-2,499	18	16%	118	108	19%	36	19%	18	19%
2,500-4,999	15	29%	220	147	26%	30	16%	15	16%
5,000+	10	45%	337	167	30%	20	11%	10	11%
Total Delegates	95	100%	825	564	100%	190	100%	95	100%
Total Board				821		447		352	

▼ 374 Board Seats

▼ 469 Board Seats

BOARD COMPOSITION

Alternate C: Use a *base + tier* model

The Task Force explored multiple variations of a Base + Tier model. This approach combines equal representation and membership-based representation. Each AOR receives a base allocation, while additional seats scale with membership size, allowing the Delegate Body to grow and contract as membership changes over time.

$$\text{Number of Delegates} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 750)}$$

Minimum Representation Rules

- < 100 members → 2 Delegates
- ≥ 100 members → Min. 3 Delegates

Example 1

Example 2

ASSOCIATION INFORMATION				CURRENT TARGET (750)		2 + 1 per 1,000 members		2 + 1 per 1,500 members	
Size Tier	Local AORs	% of Total Members	Delegate Seats Allocated (based on Bylaws formula)	Delegate-Only Seats Filled in 2026	% of Delegate Seats Filled by AOR Size	Delegate Seats Allocated	% of Delegate Seats Allocated	Delegate Seats Allocated	% of Delegate Seats Allocated
Under 500	37	4%	102	96	17%	74	23%	74	27%
500-999	15	6%	48	46	8%	30	9%	30	11%
1,000-2,499	18	16%	118	108	19%	56	17%	44	16%
2,500-4,999	15	29%	220	147	26%	72	22%	56	21%
5,000+	10	45%	337	167	30%	93	29%	67	25%
Total Delegates	95	100%	825	564	100%	325	100%	271	100%
Total Board				821		582		528	

▼ 239 Board Seats

▼ 293 Board Seats

REGIONAL STRUCTURE

Alternate organizing frameworks

The Task Force considered different ways regions could be organized but ultimately landed on testing a map redraw.

Organize around congressional district lines

- Align regions with California's congressional districts
- AORs within a region share elected officials and can coordinate advocacy around the same legislative relationships
- Risk is it could create too many regions and would be difficult for associations whose service areas cross multiple districts

Organize around shared geographic or market characteristics

- Group AORs that face similar market conditions, practices, and policy challenges, even when they are not geographic neighbors (e.g., coastal, metro, rural or agricultural)
- Intent is to create constituencies whose members can elevate shared priorities and develop a more cohesive voice on key topics
- Risk is some AORs may cross categories

Create caucuses organized around local association size

- Convene small, mid-sized, and large local associations in separate peer groups so they can discuss the governance and operating issues that come with their scale
- Risk is C.A.R. has 95 associations, and size might not be the best indicator of shared concerns

01 Initial recommendations considered but not member tested

02 Additional recommendations considered after member testing

BOARD COMPOSITION

Option 1a: Potential alternative

Option 1 was broadly favored, but stakeholders raised concerns that the original proposal **disproportionately reduced representation for small (-60%) and medium (-34%) AORs**, while large AORs remained unchanged. The Task Force considered the alternative below that aimed to create a more balanced distribution of reductions across size tiers.

Reduce to ~650

Adjust Current Formula

AOR INFORMATION				CURRENT STATE (2026)		OPTION 1 ALTERNATIVE	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
0-999	52	10%	150	142	25%	80	20.2%
1,000-4,999	33	45%	338	255	45%	159	40.1%
5,000+	10	45%	337	167	30%	158	39.8%
Total Local AOR Seats	95	100%	825	564	100%	397	
Additional Directors*				257		227	
Total Board				821		624	

Option 1 Alternative

$$\text{Number of Local AOR-} \begin{matrix} \text{selected} \\ \text{seats} \end{matrix} = \frac{\text{Local AOR Membership}}{(\text{C.A.R. Membership} \div 350)}$$

Minimum Representation Rules
 < 250 members → Minimum 1
 ≥ 250 members → Minimum 2

*Based on 2026 Board roster. This number may fluctuate year over year

BOARD COMPOSITION

Option 5: Regional allocation

Several focus group members asked whether the Task Force had considered allocation seats based on region, not on local association. The Task Force explored the following models and variations on bringing in a regional seat allocation approach for Director positions.

REGION INFORMATION				2 seats per local AOR + 1 baseline seat per region + 1 per 1,000 region members		1 seat per local AOR + 1 baseline seat per region + 1 per 600 region members		No locally allocated seats + 1 seat per region + 1 per 450 region members	
Region Size Tier	Number of Regions	Number of AORs within regions	% of Membership	OPTION 5A		OPTION 5B		OPTION 5C	
				Regional Allocated Seats	% of Regional Allocated Seats	Regional Allocated Seats	% of Regional Allocated Seats	Regional Allocated Seats	% of Regional Allocated Seats
Small (<5,000)	17	53	32.5%	169	44.7%	157	39.2%	135	33.7%
Medium (5,000-9,999)	9	24	38.5%	120	31.7%	140	34.9%	152	37.9%
Large (10,000+)	4	18	29.0%	89	23.5%	104	25.9%	114	28.4%
Total Regional Allocated Seats	30	95	100%	378	100%	401	100%	401	100%
Additional Directors*				227		227		227	
Total Board				605		628		628	

*Based on 2026 Board roster. This number may fluctuate year over year

BOARD COMPOSITION

Option 6: Sliding scale model

The Task Force considered this model in response to member feedback. While it would reduce the total Board size, the Task Force decided not to advance this model because it moved too far from proportional representation.

AOR INFORMATION				CURRENT STATE (2026)		Sliding Scale OPTION 6a	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
0-999	52	10%	150	142	25%	104	38%
1,000-4,999	33	45%	338	255	45%	114	42%
5,000+	10	45%	337	167	30%	56	20%
Total Local AOR Seats	95	100%	825	564	100%	274	100%
Additional Directors*				257		227	
Total Board				821		501	

How this works

A sliding scale formula guarantees a minimum level of representation for each AOR, while requiring progressively larger membership increases to earn additional seats. Unlike a geometric formula, the increase required for each new seat grows by a fixed amount rather than by a percentage.

This model was designed using the principles:

- Require progressively larger membership thresholds for additional seats
- Maintain a minimum of 2 seats for small AORs
- Achieve a Board size closer to the Task Force objective

*Based on 2026 Board roster. This number may fluctuate year over year

BOARD COMPOSITION

Option 7a: Geometric – calibrated to current fill rates

The Task Force developed this model in response to member feedback. While it would reduce the number of *allocated* seats, it does not meaningfully reduce the Board size; instead, it “right sizes” the Board to the current number of *filled* seats. Those seats shift between associations, with some losing seats they currently fill and others gaining seats they have not filled.

AOR INFORMATION				CURRENT STATE (2026)		Geometric Formula OPTION 7a	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
0-999	52	10%	150	142	25%	136	24.2%
1,000-4,999	33	45%	338	255	45%	257	45.6%
5,000+	10	45%	337	167	30%	170	30.2%
Total Local AOR Seats	95	100%	825	564	100%	563	100%
Additional Directors*				257		227	
Total Board				821		790	

How this works

A geometric formula guarantees a minimum level of representation for each AOR, while making each additional seat progressively harder to earn as membership grows. Rather than adding seats at a constant ratio, the threshold for each new seat increases.

This model was designed with the following principles:

- Use a geometric curve where each additional seat becomes progressively harder to earn
- Maintain a minimum of 2 seats for small AORs
- Align seat allocation with current seats filled, both in aggregate and across size tiers

*Based on 2026 Board roster. This number may fluctuate year over year

BOARD COMPOSITION

Option 7b: Geometric – calibrated to reduce Board size

This alternative applies the same geometric allocation approach as the prior option but recalibrates the thresholds to achieve a Board size closer to the Task Force target. Rather than matching current participation patterns, the model distributes reductions more evenly across association size tiers while preserving the underlying geometric structure.

AOR INFORMATION				CURRENT STATE (2026)		Geometric Formula OPTION 7b	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
0-999	52	10%	150	142	25%	67	22.3%
1,000-4,999	33	45%	338	255	45%	143	47.5%
5,000+	10	45%	337	167	30%	91	30.2%
Total Local AOR Seats	95	100%	825	564	100%	301	100%
Additional Directors*				257		227	
Total Board				821		528	

*Based on 2026 Board roster. This number may fluctuate year over year

How this works

A geometric formula guarantees a minimum level of representation for each AOR, while making each additional seat progressively harder to earn as membership grows. Rather than adding seats at a constant ratio, the threshold for each new seat increases.

This model was designed with the following principles:

- Use a geometric curve where each additional seat becomes progressively harder to earn
- Maintain a minimum of 1 seat for small AORs
- Achieve a Board size closer to the Task Force objective
- Distribute reductions more evenly across association size tiers

BOARD COMPOSITION

Option 8: Scaled ratio model – calibrated to current fill rates

This model keeps the current formula's structure and minimums, adding a size-based adjustment that reduces allocations for larger associations. Because nearly all of the reduction falls on seats that are allocated but not filled, allocated seats drop from 825 to 573 while total Board size remains effectively unchanged.

AOR INFORMATION				CURRENT STATE (2026)		Scaled Ratio OPTION 8	
Size Tier	Local AORs	% of Total Members	Local AOR Seats Allocated	Local AOR Seats Filled (#)	Local AOR Seats Filled (%)	Local AOR Seats Allocated (#)	Local AOR Seats Allocated (%)
0-999	52	10%	150	142	25%	148	26%
1,000-4,999	33	45%	338	255	45%	264	46%
5,000+	10	45%	337	167	30%	161	28%
Total Local AOR Seats	95	100%	825	564	100%	573	100%
Additional Directors*				257		227	
Total Board				821		800	

*Based on 2026 Board roster. This number may fluctuate year over year

How this works

This model keeps the current Bylaws formula and adds one step: each AOR's members-per-seat ratio is adjusted upward based on its size, so larger associations require progressively more members per seat. Minimum representation rules are unchanged.

New Formula

Number of Local AOR-selected seats

=

Local AOR Membership

(C.A.R. Membership ÷ 750) x Adjustment Factor

Adjustment Factor

=

Local AOR Membership

(C.A.R. Membership ÷ 750)

1.021 ^

- Minimum Representation Rules
- < 100 members → 2 Local AOR Seats
 - ≥ 100 members → Min. 3 Local AOR Seats