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October 12, 2018

Rehmann Robson 107 S Cass St, Suite A Traverse City, Michigan

This representation letter is provided in connection with your audit of the financial statements of *Traverse Area Association of Realtors*®, *Inc* (the "Association"), which comprise the statement of financial position as of June 30, 2018 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

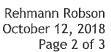
Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 12, 2018.

Financial Statements

- 1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 25, 2018, for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework we have chosen, which is accounting principles generally accepted in the United States of America.
- 2. The financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America.
- 3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.

For the purposes of this letter, related parties mean affiliated or financially interrelated Associations; entities for which investments are accounted for by the equity method by the Association; trusts for the benefit of employees, such as pension trusts that are managed by or under the trusteeship of management or the governing board; members of the Association's management and governing board and their immediate families; and other parties with which the Association may deal if one party controls or can significantly influence the management or





operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests, such as significant contributors. Another party also is a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests. Additional related parties may include certain national and local affiliates and a separate entity with officers or directors also on the nonprofit Association's governing board.

- 7. There were no events subsequent to the date of the financial statements for which accounting principles generally accepted in the United States of America require adjustment to or disclosure in the financial statements.
- 8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- 9. We have complied with all contractual agreements, grants, and donor restrictions.
- 10. We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- 11. We have accurately presented the Association's position regarding taxation and tax-exempt status.
- 12. The bases used for allocation of functional expenses are reasonable and appropriate.
- 13. We have included in the financial statements all assets and liabilities under the Association's control.
- 14. We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- 15. Reclassifications between net asset classes are proper.
- 16. Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.

Information Provided

- 17. We have provided you with:
 - a. Access to all information that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the Association from whom you determined it necessary to obtain audit evidence.
- 18. All transactions have been recorded in the accounting records and are reflected in the financial statements.

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- 19. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 20. We have no knowledge of any fraud or suspected fraud that affects the Association and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others when the fraud could have a material effect on the financial statements.
- 21. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Association's financial statements communicated by employees, former employees, analysts, regulators or others.
- 22. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws, regulations contracts, and grant agreements whose effects should be considered when preparing financial statements.
- 23. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.

24. We have disclosed to you the identity of the Association's related parties and all the related party relationships and transactions of which we are aware.

Kim Pontius, Chief Executive Officer

Laura Turmel, Financial Officer