

FREQUENTLY ASKED QUESTIONS

The Three-Way Agreement & Dues Policies:

Q: What is the Three-Way agreement?

A: The term "Three-Way Agreement" is the foundation of the REALTOR® organization, established among the national, state, and local associations. This agreement grants state and local associations the authority to control the term "REALTOR®" and "REALTOR-ASSOCIATE®". In exchange, state and local associations must adhere to the Code of Ethics of NAR, enforce the Code of Ethics within their jurisdiction, and properly grant and regulate the use of the terms "REALTOR® and REALTOR-ASSOCIATE®." The Three-Way Agreement means that local associations and their REALTOR® members are members of the state association of their local board, and NAR.

Q: Why is the Three-Way Agreement in place?

A: The Three-Way Agreement has been in place for more than 100 years and empowers the REALTOR® organization to use its combined resources and influence to have a unified, powerful voice in shaping public policy, setting recognized standards for ethical real estate practice, and contributing to the betterment of the real estate industry. This federated structure fosters unity and allows for a coordinated, collaborative approach on achieving our collective mission of protecting, preserving, and advancing property rights for all.

Q: Is it possible to only pay local and state dues and not NAR dues?

A: REALTOR® means member of the National Association of REALTORS®. Therefore, all REALTORS® belong to the National Association of REALTORS® and agree to abide by our Code of Ethics. In order to maintain REALTOR® membership, members must pay local, state, and national association dues and assessments. There is no ability to bifurcate membership between local, state, or national associations.

Q: I see that other brokerages are no longer requiring their agents to be members of NAR. How do I implement this change at my brokerage?

A: The decision to require agents to be members of NAR has always been at the discretion of the broker. NAR cannot and does not require brokers to mandate membership in the REALTOR® organization.

Q: Are there any REALTOR® associations that I can join that don't require me to belong to NAR?

A: The term REALTOR® is a registered trademark of the National Association of REALTORS® and only local and state associations enforcing NAR's trademark, membership qualifications, and Code of Ethics are considered REALTOR® associations. All local and state REALTOR® association members are members of the National Association of REALTORS®.

Q: I've heard that certain brokerages like RE/MAX and Anywhere Real Estate Inc., are severing ties with NAR. What does that mean?

A: The brokerages you're referencing did not announce that they are severing ties with NAR. You could be referring to the recent settlement agreements that RE/MAX and Anywhere Real Estate, Inc. reached with the Plaintiffs in the lawsuit Burnett et. al v. National Association of REALTORS® et. Al. In that proposed settlement, those companies agreed to remove the membership requirement from their franchisor agreements, thus leaving the decision to belong to NAR to each of their independent franchisees. If these independent brokerages find value in belonging to the local, state, or national association, then they will continue to belong.

NAR Membership Value:

Q: What value does NAR membership provide?

A: NAR is the unrivaled advocate and resource in the real estate market for its members and their clients, and only NAR members can call themselves REALTORS®. NAR delivers value in the following ways:

- Advocacy
- Ethics and Professionalism
- Learning Opportunities and Resources
- Recognized REALTOR® Brand and Consumer Awareness
- Unmatched Networking Opportunities
- Community Outreach
- Innovative Technology Tools and Resources
- Leading Economic, Research, and National Property Data
- Legal and Risk Management Support

Q: What benefits will I lose if I no longer belong to NAR?

A: NAR membership includes robust benefits such as exclusive access to health, dental, and vision insurance, as well as savings on auto, home, and renters' insurance. In addition to member discount programs, NAR offers business and marketing services, and unparalleled opportunities for learning through designation and certification programs. It's important to remember that you will also lose the ability to use the term REALTOR®, and the distinction that is associated with it. For more information on all the many benefits of membership in NAR, please visit: <https://www.nar.realtor/realtor-benefits-program>.

Local Association provision of Multiple Listing Services:

Q: How does MLS access factor into my REALTOR® membership?

A: Many local REALTOR® associations own or operate an MLS. MLS participation is optional and criteria for participation is determined at the local level. Some local associations provide their MLS services only to REALTOR® members and some local associations provide their MLS services to non-members as well. We recommend checking with your MLS to verify participation requirements.



Q: Can I subscribe to the MLS without REALTOR® membership?

A: MLS participation is determined at the local level. Some local associations provide their MLS services only to REALTOR® members and some local associations provide their MLS services to non-members as well. We recommend checking with your MLS to verify participation requirements.

Q: NAR recently said that entering zero in the offer of compensation field would satisfy NAR policy. Must all MLSs permit zero in the field?

A: NAR has always advised that the participants and their clients are who determine the amount of the offer of compensation. The purpose of the rule is to effectively and efficiently communicate the amount the listing broker will pay a buyer's broker for her work. **It is the act of entering an amount – any amount – that satisfies the intent of the rule. This ensures MLSs to provide brokers and their clients information they need. Also, offers of compensation are always negotiable.** In the recent class action lawsuits, Plaintiffs argue that such rule does not give sellers a choice of not offering compensation and NAR has responded that one penny is essentially the same as zero. Earlier this year, NAR issued guidance to MLSs that while NAR does not require MLSs to do so, the amount of zero would also comply with NAR's rule regarding offers of compensation.

Recent Allegations Against NAR:

Q: What is NAR doing to address the harassment allegations that have surfaced?

A: Following complaints in 2022, NAR undertook several steps such as, hiring an outside law to conduct an investigation of concerns raised; NAR's Talent, Development and Resources team provided resources and support to affected staff; a Leadership Pledge was created to provide guidelines for expected behaviors of NAR leaders, as well as member behavior protocols and terms that all attendees must accept; and mandated enhanced harassment prevention training for members in 2022; and a Culture Transformation Commission was formed to gather insights from members and local, state, and national association staff, to make recommendations on how to transform the culture. NAR is actively working with external experts to promote a safe and supportive environment for everyone.

Q: What is the Leadership Pledge?

A: It is a pledge that obligates all elected and volunteer leaders to abide by the highest ethics, behaviors, and standards to steward and protect the reputation of NAR and REALTORS®. The elected and volunteer leaders that must commit to the pledge include all current or incoming members of the NAR Leadership Team, Regional Vice Presidents, Committee Liaisons, REALTOR® Party Directors, REALTOR® Party Fundraising Trustees Chairs, RPAC Major Investor Council Chairs, and RPAC Participation Council Chairs. NAR's Leadership Pledge is available here: <https://www.nar.realtor/national-leadership/nar-leadership-pledge>.



Q. What is the Culture Transformation Commission?

A: The Culture Transformation Commission is a group of members and local, state, and national staff that was formed to make recommendations on how NAR can transform its culture and emerge as a stronger, more cohesive organization. The commission is led by Dr. Shaun Harper from the University of Southern California.

If you have more questions or comments, please email nargovernance@nar.realtor.

 nar.realtor

 (800) 874-6500

 500 New Jersey Ave., NW
Washington, DC 20001

REALTORS® are members of the National Association of REALTORS®.