



## BENEFITS OF REALTOR® MEMBERSHIP

Recent developments, such as Redfin's decision to *sever ties* with the National Association of REALTORS® (NAR) and the antitrust settlements by Anywhere and RE/MAX, have raised questions about REALTOR® organization membership.

We want to take a moment to address these concerns and their practical effect and emphasize the value of retaining your membership in the association of REALTORS®. We are pleased to have this conversation as it presents a great opportunity to reinforce our value proposition.

It's important to understand that NAR operates on a federated structure, requiring REALTOR® membership at all three levels—local, state, and national. This structure is the envy of many professional organizations. In essence, it is a single, centralized organization that allows its individual member state and local associations some autonomy.

*(Note: A federated structure in the National Association of REALTORS® fosters unity, increased membership and revenue, strengthens advocacy efforts, promotes consistency, and enhances the industry's overall reputation. It allows for a coordinated and collaborative approach that can be more effective than a purely local or national model.)*

An excellent example of how this structure has benefited REALTORS® locally is in the area of monetary grants received by St. Louis REALTORS® from NAR and Missouri REALTORS®, which have amounted to over \$320,000 in the past year. These grants have been a major help to underwrite several important local initiatives (e.g., creation of the Safer + Simpler Missouri, Housing Alliance, Fair Housing, polling, etc.).

Additionally, it is important to note that when the principal (e.g., Designated REALTOR®) of a brokerage firm joins the association of REALTORS®, all licensees affiliated with that principal must either join the association or pay an amount annually (through the DR) that is equal to REALTOR® dues (excepting certain special assessments). In a similar fashion, an individual licensee may not join a REALTOR® association unless their principal broker is a DR with a REALTOR® association somewhere.

It is also important to recognize that the REALTOR® organization at all three levels has collectively provided us with numerous benefits and resources over the years. The REALTOR® organization plays a pivotal role in advocating for the real estate industry, protecting the interests of REALTORS®, and ensuring ethical and professional standards are maintained.

Here is a summary of those reasons why we believe REALTOR® membership is crucial:

- **Advocacy:** The REALTOR® organization advocates for real estate professionals at all three levels.
- **Local Access to Mission Critical Services:** Membership is essential for access to essential tools.
- **Ethics and Professionalism:** REALTOR® membership signifies your commitment to ethical conduct and professionalism.
- **Education and Resources:** The REALTOR® organization offers excellent educational resources and training programs.
- **Networking Opportunities:** The REALTOR® organization provides a platform for collaboration.
- **Consumer Confidence:** REALTOR® membership positively influences client trust.

1. **Advocacy:** The REALTOR® organization is a powerful advocate for real estate professionals at all levels of government. NAR, St. Louis REALTORS®, and Missouri REALTORS® work tirelessly to protect our industry from legislative challenges and promote policies that benefit REALTORS® and consumers. At all three levels of the organization, the unwavering commitment to collaborative advocacy efforts has produced a string of victories that directly benefit our members (see attached list of wins). These achievements not only protect the interests of REALTORS® but also contribute to the vibrancy of the real estate market and the overall well-being of their clients. Becoming a REALTOR® member is not just a choice; it's a step towards joining a community that actively works to safeguard your ability to thrive in the real estate industry. Your membership helps support these efforts and ensures our voice is heard in Washington and beyond.

2. **Local Access to Mission Critical Services:** St. Louis REALTORS® membership is essential to maintain access to MARIS (i.e., MLS), the St. Louis Regional Keybox Cooperative (i.e., Supra), industry-standard contracts in the St. Louis region, and REALTORS® Property Resource (RPR), to name a few. The Legal Hotline, a service provided for members by Missouri REALTORS®, is a frequently used and valuable resource for day-to-day business. REALTOR® membership ensures you can access these essential tools for your business. It would be very difficult to practice real estate without any one of these services effectively, let alone all of them.

3. **Ethics and Professionalism:** REALTOR® membership underscores your commitment to ethical conduct and professionalism in real estate. It signifies your dedication to upholding the highest standards of integrity and transparency in your business practices, which is crucial for building trust with clients. Furthermore, St. Louis REALTORS® works very hard to educate members on and enforce the code of ethics within our region. To elaborate on this point, we have approximately 75 members locally who volunteer their time each year to help us carry out the professional standards enforcement process.

4. **Education and Resources:** St. Louis REALTORS®, Missouri REALTORS®, and NAR all offer a wealth of educational resources, training programs, and industry research that can enhance your knowledge and skills. Staying connected with the REALTOR® organization allows you to access valuable tools and stay updated on industry trends. Among these resources is the Missouri REALTORS® Education Foundation which has created "It's Your Move," a financial literacy program for high school students.

5. **Networking Opportunities:** St. Louis REALTORS®, Missouri REALTORS®, and NAR provide a platform for networking and collaboration with fellow real estate professionals nationwide. Building relationships and sharing insights with peers can lead to new opportunities and a stronger local real estate community.

6. **Consumer Confidence:** Consumers often seek out REALTORS®, who are members of NAR, viewing this affiliation as a mark of professionalism and dedication to their craft. Retaining your membership can positively influence client perception and trust.

But let's get back to the recent Redfin announcement and the Anywhere and RE/MAX settlement agreements. The impact of these developments greatly depends on where one is located and is largely symbolic as it relates to Missouri. Over the years, court decisions in some states (e.g., Alabama, California, Florida, and Georgia) have found that requiring REALTOR® membership for MLS access violates certain antitrust laws, while in other cases, local associations have voluntarily opted not to require membership. However, many court decisions have determined that the membership requirement does not violate antitrust laws.

So, for those states and locales where REALTOR® membership is not tied to MLS access, the decision to become/remain a REALTOR® has greater relevance. It is important to note that Missouri is not one of these states. MARIS exists because several St. Louis area associations, each with their own MLS, collaborated nearly 40 years ago. Today, fourteen shareholder associations collectively own MARIS, with St. Louis REALTORS® holding a 66 percent share. As a result, MARIS' policy requires Participants and Subscribers to be members of a shareholder association like St. Louis REALTORS®.

We recognize that change is a constant in our industry and are committed to supporting you through these transitions. The recent news headlines should not overshadow the benefits and opportunities membership in the REALTOR® organization brings. As your local association, we are here to address any questions or concerns you may have, and we remain committed to representing your interests.

In conclusion, we strongly encourage existing members to maintain their NAR membership and remain affiliated with St. Louis REALTORS®. Together, we can shape the future of our industry, advocate for policies benefiting all real estate professionals, and uphold the highest standards of professionalism and ethics.

## **Championing REALTOR® Advocacy: Collaborative Efforts Benefit St. Louis Members**

Why should you consider becoming a member or remain a member of the REALTOR® organization? One compelling reason lies in the robust advocacy facilitated by St. Louis REALTORS® in close collaboration with the National Association of Realtors (NAR) and Missouri REALTORS®. These organizations work tirelessly to protect the interests of their members, fostering a legislative environment that safeguards private property rights.

Advocacy remains the cornerstone of a thriving housing market, and from local governance to state legislation to the hallowed halls of the U.S. Capitol, elected officials continuously make decisions with far-reaching consequences for REALTORS® and their clients. At the local level, St. Louis REALTORS®' plays a crucial role as a vigilant guardian of the St. Louis real estate market. Their collaboration with state and national REALTORS® associations significantly contributes to protecting your ability to conduct business smoothly.

Below, we highlight some of the advocacy victories that enable our members to continue serving their clients in the dynamic real estate market:

- 2010: Missouri REALTORS® spearheaded a successful campaign that led to the amendment of the Missouri Constitution, effectively banning real estate transfer taxes.
- 2016: In another successful campaign, Missouri REALTORS® advocated for and achieved an amendment to the Missouri Constitution, banning sales taxes on services, including real estate brokerage services.
- 2020: During the COVID-19 pandemic, Governor Parson declared real estate as an essential service, acknowledging its critical role.
- 2020: Federal pandemic legislation extended unemployment benefits to independent contractors, marking a milestone for REALTORS®.
- 2020: St. Louis REALTORS® facilitated access to valuable resources by publishing a comprehensive St. Louis County municipal code survey on their website. This survey assists members in navigating the complex landscape of building codes, sign ordinances, occupancy permitting rules, and more throughout the region.
- 2021: NAR, Missouri REALTORS®, and St. Louis REALTORS® joined forces to collaborate with governments at all levels, developing and implementing Emergency Rental Assistance Programs (ERAP) to support communities during the pandemic.
- 2021: NAR engaged with lawmakers to protect the classification of real estate professionals as independent contractors by actively participating in discussions related to the "Protecting the Right to Organize" (PRO) Act.
- 2022: In response to Missouri REALTORS®' advocacy, the legislature passed legislation that streamlined the removal of racially restrictive covenants from deeds, empowering recorders of deeds to remove them when a deed is recorded.
- 2022: St. Louis REALTORS® successfully defeated a proposal in the City of St. Louis that sought to impose a hefty \$10,000 fee per unit for converting duplexes or four-family properties into single-family housing.
- 2023: Missouri REALTORS® and St. Louis REALTORS® effectively defended the ease of amending the Missouri Constitution through initiative petition, preserving a valuable legislative tool previously used successfully in 2010 and 2016.
- 2023: These organizations further ensured the continuation of Historic Tax Credits in Missouri, a widely-used tool in the St. Louis area and across the state.
- 2023: Leading the way, St. Louis REALTORS® initiated the Permitting Collaborative, which achieved the implementation of electronic permitting and plan review in St. Louis County, marking a significant milestone for economic development.