



Redfin to NAR, “Enough is Enough”

A tempest in a teapot or the start of an uprising? Redfin, the publicly owned Seattle-based real estate company with 50 offices nationwide, announced on Monday it is walking away from the National Association of Realtors (NAR). The company, in a letter published on its website, said it was moving to end its association with NAR. The letter, signed by CEO Glenn Kelman and seven other members of Redfin’s leadership team, said it was making the change because of NAR policies requiring a commission be paid to the buyer’s agent on every listing and “a pattern of alleged sexual harassment.”

In August, the New York Times reported that a number of NAR employees had come forward with claims of sexual harassment, discrimination and retribution at the association’s Chicago headquarters and local offices. Many of the complaints involved former NAR president Kenny Parcell. Both NAR and Parcell denied the allegations. Parcell quit shortly after the article was published.

Redfin said it had resigned its national board seat in June, before the alleged sexual harassment came to light, because of NAR’s policies on commissions and its prohibition on websites like Redfin.com from showing for-sale-by-owner homes. “Removing these blocks would be easy, and it would make our industry more consumer-friendly and competitive,” the letter said.

Redfin said it will now require its brokers and agents to leave NAR wherever possible but because of the independent agent nature of most brokerages “they don’t want to impose a policy that could alienate any of the people who generate its revenue.” However, NAR rules require that Redfin also leave local and state associations even though its beef is only with the national group. In about half of Redfin’s markets, losing membership will mean loss of access to listing databases, lockboxes, and industry-standard contracts. “It’s impossible to be an agent if you can’t see which homes are for sale, or unlock the door to those homes, or even write an offer.”

The company said it is asking NAR to decouple local access to these tools, including the listing databases known as Multiple Listing Services, from support for the national lobbying organization. “Agents shouldn’t have to underwrite policies and legal efforts that hurt consumers when most of us got into real estate to help consumers.”

The letter concludes, “Our disagreement is with NAR, not with our industry. Brokers can compete on price and still cooperate to show all the homes for sale. Redfin will continue our full support of the MLSs that brokers use to share listing data, and we’ll remain friends with the many fine people working at NAR and its local affiliates on economics, diversity, and pro-housing policies. We love our industry. We’ve tried to love NAR. But enough is enough.”

NAR has not commented on the dispute. It will be interesting to see if other brokerages follow Redfin’s lead.



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