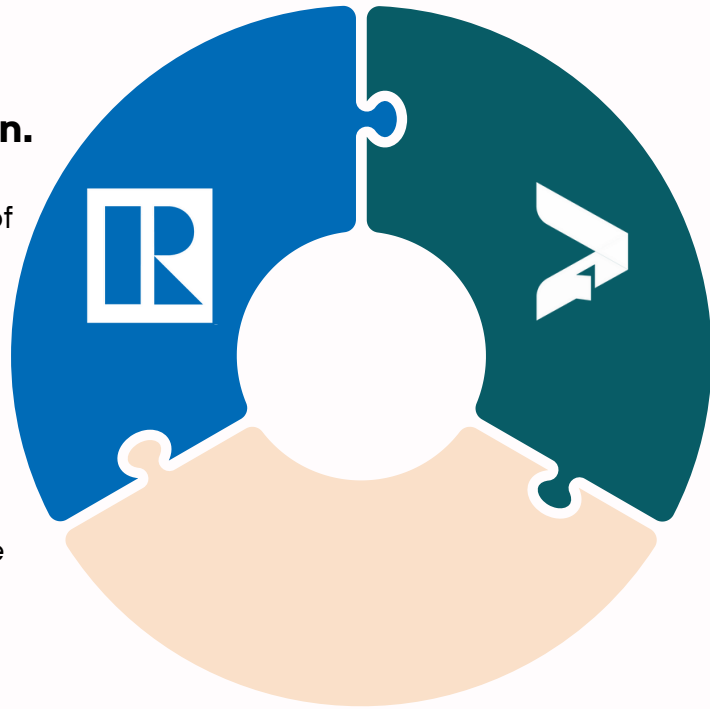


THE THREE-WAY AGREEMENT

As a REALTOR, you are part of the largest trade association in the nation.

Did you know that your REALTOR membership is part of a powerful, 3-way agreement? When you joined the REALTOR association, you joined at the local level. Your membership automatically includes membership in Tennessee REALTORS® and National Associations of REALTORS®!

The term “Three-way Agreement” refers to the structure of the REALTOR® organization. This agreement was established among the National Association, the state associations, and local boards and associations.



The REALTOR® organization is a “federation” or, in other words, a “union” of organizations. It is comprised of member associations that are both state and local associations of REALTORS®. The “federation” is formed by what has become known as the “Three-way Agreement” which means that all local associations and their REALTOR® members are members of the state association of REALTORS® in the state where their association is located and also of the National Association of REALTORS®.

The federated structure strengthens the REALTOR® organization by providing a framework for effective communication, delivery of goods and services, and enforcement of the REALTORS® Code of Ethics. The size of the REALTOR® organization (over one million members), also a product of the federated structure, contributes substantially to the political influence of the National Association, thereby enhancing its effectiveness in lobbying for causes that contribute to the protection of private property rights.

In the simplest of terms, the federated structure allows the REALTOR® organization to use its combined resources (both human and financial) and influence to have a unified, powerful voice in shaping public policy, set recognized standards for ethical real estate practice, and contribute to the betterment of the real estate industry.