



September 22, 2021

Katie Johnson
General Counsel
National Association of Realtors

Dear Ms. Johnson:

Yesterday, in the *Wall Street Journal*, you stated “NAR remains committed to advancing and defending independent, local broker organizations that provide for greater economic opportunity and equity for small businesses and consumers, including first-time, low- and middle-income home buyers.”

Currently, my company, REX, the pro-consumer independent real estate brokerage, is trying to ensure first time, low, and middle-income home buyers have every chance possible to achieve home ownership.

In 10 states, current real estate policies prohibit Realtors from giving consumers a rebate. REX is in court in Oregon challenging this rule. For every 1% of commission, approximately 5,000 first time home buyers in Oregon are denied entry to the market.

I am asking you to join me in a joint letter endorsing the retirement of anti-rebate laws in the ten state where these anachronistic, anti-consumer policies harm realtors, licensed real estate agents, like those employed by REX, and consumers alike.

Further, the US Department of Justice has published the following regarding how rebate bans harm consumers, “*Rebate bans artificially inflate the cost of real estate services. Consumers are forced to pay thousands of dollars more to buy a home than they would if rebates were allowed. In effect, rebate bans prohibit brokers from competing on price, forcing all brokers to charge—and all consumers to pay—the same inflated price.*”

A draft letter is attached for your consideration.

Respectfully yours,

A handwritten signature in black ink that reads "Michael Toth". The signature is written in a cursive, flowing style.

Michael Toth
SVP & General Counsel

Dear Governor XXX, Senate President YYY, and Speaker ZZZZ,

[Insert State] is one of ten remaining states with an anachronistic anti-rebate policy for real estate transactions.

These policies were once well intentioned, however have become an albatross for both real estate agents and consumers alike.

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While REX and the National Association of Realtors tussle over what the future of real estate may look like, as General Counsel of both entities, we agree that rebate bans should be rescinded across the nation.

Please let us know if we may be of assistance in drafting legislation to rescind this policy and note that a number of states rescinded their rebate bans by consent decree with the United States Department of Justice.

Sincerely,

cc:

AAAAA, Attorney General

BBBBB, Chairman, State Real Estate Commission

CCCCC, President, State Association of Realtors