

— Broker Compliance —

The California Association of REALTORS® (C.A.R.) holds local REALTOR® associations responsible for ensuring broker compliance with the National Association of REALTORS® (NAR) Variable Dues Formula. The formula was crafted to ensure fairness by basing member dues on the number of individuals licensed with REALTOR® principals (known as Designated REALTORS®, or DRs). The premise is that every licensee in a firm benefits from the DR's membership in the Association, and the DR's dues payment should reflect all licensees in the firm—even those who are not REALTORS®.

How to Achieve Compliance:

1 Pay a Nonmember Assessment

You, as the Designated REALTOR® (Broker), are billed a nonmember assessment fee for each individual who is a nonmember licensee. Even when this fee is paid, the licensee is not a REALTOR® member and there are no association benefits or services provided. Use of the REALTOR® trademark is prohibited.

2 Licensee Joins as a REALTOR®

The licensee joins and pays REALTOR® dues and receives all the benefits of being a REALTOR®. With this option, you do not pay the nonmember assessment fee.

How to Join:
www.ocrealtors.org/membership

3 Exemption for Referral Agents

Licensees working for a separate entity owned by the Designated REALTOR® (Broker), which is exclusively engaged in referring clients, can be excluded from your dues calculation. Any licensees identified on the Limited Function Referral Office (LFRO) Certification Form are excluded from paying REALTOR® Dues and the Designated REALTOR® (Broker) is not responsible for paying the non-member assessment fee.

Submit the LFRO Certification Form:
www.ocrealtors.org/LFRO-form

4 Drop Agent From Your Brokerage

You terminate the nonmember licensee by removing the licensee from DRE records. This can be done via eLicensing (<https://dre.ca.gov/elicensing/>) or submitting Form 214. You will not be charged the nonmember assessment fee for this licensee.

5 Exemption From Mortgage Loan

Affiliated MLO licensees in your firm may be excluded from your dues calculation. You must provide a list of the affiliated MLO licensees and certify that all of the listed licensees: (1) have an MLO license or endorsement; (2) are not engaged in real estate licensed activities except those for which an MLO is required; and (3) are not participants or subscribers in any 'Multiple Listing Service ("MLS")'.

Submit the MLO Certification Form:
www.ocrealtors.org/MLO-form

THANK YOU FOR BEING COMPLIANT!

For any questions please contact our broker compliance department at Bc@ocrealtors.org or 949-586-6800

