



Building Modernization Project FAQs

1. How old is the Texas REALTORS® building?

37 years old. The Texas REALTORS® building was constructed in 1989.

2. When was the last major remodel?

The building has never undergone a comprehensive remodel.

3. What is Texas REALTORS® proposing?

A comprehensive building modernization project. On February 10, the Board of Directors will vote on a proposal to modernize the Texas REALTORS® building. The proposal has been reviewed by and received approval from the Budget and Finance Committee as well as the Executive Board.

4. Why does this project need approval by the Board of Directors?

Bylaws require Board of Directors approval for any expenditure from our general reserves account that exceeds 10% of the association's annual budget.

5. How long has Texas REALTORS® been contemplating this initiative?

Discussion began in 2023, but the project was paused during a period of heightened uncertainty related to national litigation and external risk. As conditions have stabilized, REALTOR® leaders feel now is the right time to pursue this project.

6. What benefits would the building modernization bring to members?

- Flexible meeting spaces to accommodate more meeting types for members, elected officials, and industry partners.
- Functional collaboration space to foster modern work practices and meetings with hybrid in-person/remote participation.
- Improved acoustics and technology for meetings and training.
- A modern building that meets members' expectations of the flagship real estate owned by Texas REALTORS®.

7. How does this project support Texas REALTORS®' mission?

Updated infrastructure supports our mission by:

- Providing an environment for enhanced advocacy, making the best use of our location across from the Capitol. We can bring elected officials and other policy makers to our space for important conversations.
- Extending space for committee meetings, training, and leadership development that drive the association forward.

8. Does this project strengthen Texas REALTORS® advocacy efforts?

Yes. Enhancing our advocacy efforts is one of the most important aspects of the project. Texas REALTORS® headquarters sits directly across the street from the Texas Capitol, yet today it functions primarily as office space. A redesigned building:

- Creates meeting spaces with outstanding views of the Texas Capitol.
- Reinforces purpose and mission during member and leadership meetings.
- Establishes Texas REALTORS® as an advocacy destination.
- Enables Texas REALTORS® to host on-site meetings with legislators, staff, and coalitions.
- Provides space to host receptions with stakeholders and legislators.
- Enhances REALTOR® Day and year-round advocacy activity.

9. How much will the project cost?

The Board of Directors will be asked to approve an amount of up to \$15 million to complete the project.

10. How will this project be funded?

Through the Texas REALTORS® Investment Portfolio. In 1996, Texas REALTORS® established an investment portfolio to help pay off the note on the headquarters building. That strategy worked, and the building was fully paid for in 2003.

In 2002, the association expanded the portfolio into higher-return investment categories with a clear goal: to fund major capital improvements and large projects without assessing members and without relying on the operational budget. This modernization project is exactly what that portfolio was designed to support.

11. Will the association have to take on debt to complete this project?

No. The investment portfolio has performed strongly. The investment earnings from 2024 and 2025 alone are nearly enough to completely fund this project.

Our ability to fund this project without incurring debt reflects disciplined financial stewardship and long-term planning by past and current leadership. We will discuss the financial details further at the Board of Directors meeting.

12. Will this project impact member dues or require a special assessment?

No. This project will not impact member dues, nor will it require any assessment.

13. Will this project take resources away from the benefits and services members receive?

No benefits, programs, or services will be cut to fund this project.

14. How reliable is the cost estimate?

While early estimates suggest the project could come in lower, the proposed \$15 million request includes:

- Contingency for market volatility.
- Non-construction and soft costs.
- Risk mitigation for schedule and materials.

This approach avoids repeated funding requests and ensures the project can be completed responsibly.

15. Who is overseeing the building modernization project?

A dedicated Building Oversight Committee. The committee is made up of experienced commercial real estate professionals from across Texas who will continue providing guidance and oversight on long-term asset protection and value. Their charge includes:

- Advising on scope, design, and cost.
- Providing industry expertise and oversight.
- Ensuring disciplined stewardship of the association's largest physical asset.

16. Will this project disrupt operations or member service?

No. A detailed continuity plan ensures:

- Staff can operate productively during construction.
- Member services, advocacy, legal support, and communications continue uninterrupted.
- Temporary workspace is available for essential on-site functions.

17. What happens if the Board does not approve the project?

The association will continue operating in the existing space. However, deferring modernization will limit our advocacy potential and increase long-term costs to maintain an ageing real estate asset.

18. What should the Board of Directors consider in its decision?

- Stewardship of a 37-year-old flagship asset.
- Carrying forward and modernizing the vision from the 1980s to build our headquarters and reputation across from the Capitol.
- Strengthening advocacy effectiveness.
- Ensuring the organization's infrastructure matches its scale, influence, and mission.

View building renderings below

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