

# UNDERSTANDING REAL ESTATE PRACTICE CHANGES AND THE IMPACT ON THE CONSUMER

Buying a home is one of the largest financial transactions of a person's life. Below are facts about NAR's proposed settlement and how the changes taking effect **Aug. 17** will impact home buyers and sellers:

Compensation remains fully negotiable by buyers and sellers and their agents.

When finding an agent to work with, buyers and sellers should ask questions about compensation and understand what services they are receiving.

**CHANGE**  
The listing broker or the seller may offer compensation to the buyer's agent, but there are limitations to how that offer can be marketed—i.e., brokers can no longer communicate offers of compensation on a Multiple Listing Service (MLS)\*.

**CHANGE**  
Buyers must sign a written agreement with their chosen broker before touring a home—whether in person or live virtually. The agreement will reflect the terms they have negotiated with their agent, including what services will be provided, for how much and how the agent will be compensated.

**CHANGE**  
If there is an offer of compensation to a buyer broker from a listing broker or the seller, the seller must approve the specific amount or rate of payment in writing.

If sellers have not offered compensation, buyers can request in their offer that sellers compensate the buyer broker. If the seller is not paying buyer broker compensation, the buyer will be responsible for paying their agent if agreed to in the written agreement.

Sellers can still offer—and buyers can still accept—concessions such as offers to pay the buyer's closing costs.

Buyers do not need a written agreement when just speaking to a listing agent at an open house or asking them about their services.

The changes further empower consumer choice through transparency.

Current regulation does not allow agent commission payments to be financed as a part of a mortgage.

Agents who are REALTORS® are ethically obligated to work in the client's best interest.

Home buyers and sellers have a wide range of choices. As a trusted source of advice, agents who are REALTORS® help home buyers and sellers as they navigate their home journey and make the choices that work best for them.

## CONSUMER GUIDE TO CHANGES

### WRITTEN BUYER AGREEMENT



### BUYER AGENT COMPENSATION



More details about these changes and what they mean can be found at [facts.realtor](https://facts.realtor).

\*Multiple Listing Services (MLSs) are local marketplaces used by both buyer brokers and listing brokers to share information about properties for sale.