

## Does the settlement affect loan considerations regarding agent commissions?

The settlement mandates the use of Buyer Representation Agreements, which will require clear communication and transparency between buyers and their agents regarding compensation and services, potentially altering the traditional dynamics of real estate transactions.

## Is a written buyer agreement required in all states immediately?

The requirement for written buyer agreements to be in place before showing homes applies universally unless specific state laws mandate these agreements even earlier in the transaction process.

## Can different types of buyer-broker relationships be established under this agreement?

Yes, they can. The buyer representation agreement allows you to define the nature of your relationship with your real estate agent. This could be as an agent who fully represents your interests, as a non-agent who assists you without representing you, or even as a transaction broker who facilitates the deal without representing either side. The agreement can specify different durations, services, and payment terms, all of which are open to negotiation between you and your agent.

## What should be done with existing buyer agreements after the MLS policy change takes effect?

Existing buyer agreements should be reviewed and possibly amended to ensure that any agreed compensation is clearly defined and not open-ended, aligning with the new settlement requirements.

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# NAVIGATING NEW NORMS:

A Buyer's Guide to  
Today's Real Estate  
Market





## Welcome to a new era of **transparency** and **professionalism** in real estate.

Following the landmark settlement between the National Association of Realtors® (NAR) and plaintiffs in the Spitzer/Burnett antitrust lawsuit, **significant changes have been introduced to enhance the buying experience.** This settlement emerged from a desire to address concerns about the traditional ways in which REALTOR® commissions have been handled, aiming to **increase fairness** and **clarity** in real estate transactions. Under the new guidelines, before you embark on the journey to find your new home, a Buyer Representation Agreement must be signed. This agreement outlines the responsibilities of your realtor and clarifies the commission structure, ensuring that you are **fully informed** and in agreement with how your agent will be compensated. This brochure is designed to **guide you through the common questions and answers about these changes**, helping you navigate your home-buying process with confidence and peace of mind.

### What is a Buyer Representation Agreement?

A Buyer Representation Agreement is a contract between a homebuyer and a real estate agent, specifying the agent's responsibilities and the commission structure. This agreement must now be signed before viewing properties, as per the settlement.

### What are the implications for how transactions are conducted?

The settlement mandates the use of Buyer Representation Agreements, which will require clear communication and transparency between buyers and their agents regarding compensation and services, potentially altering the traditional dynamics of real estate transactions.

### How will the changes affect agent compensation?

Compensation details must be outlined in the Buyer Representation Agreement. This means buyers will be aware of and agree to the commission their agent will receive, which can be negotiated independently of the seller's offer.

### Can a seller still offer to pay the buyer's agent commission?

Yes, sellers can still offer to pay the buyer's agent's commission as part of their transaction terms. However, these offers can no longer be communicated through the MLS (Multiple Listing Service) as part of the new rules set by the settlement.

### What happens if the seller offers less than the agreed commission in the Buyer Representation Agreement?

If the seller's offer is less than what is agreed in the Buyer Representation Agreement, your agent has a few options. The seller could increase the fee to the amount in the buyer agency agreement. The second option is that the agent may be willing to accept less than what is in the agreement. Lastly, you, the buyer, may need to cover the difference to ensure your agent receives the agreed-upon commission.