

## **Check Your Buyer Representation Agreements**

### **In the buyer agreement, can buyers and buyer brokers agree to a range of compensation?**

- NAR policy will not dictate the compensation agreed between buyers and buyer brokers (e.g., \$0, X flat fee, X percent, X hourly rate).
- Under the settlement, any compensation agreed to must be objectively ascertainable and not open-ended. For example, the range cannot be “buyer broker compensation shall be whatever amount the seller is offering to the buyer.”

### **Should active buyer agreements entered into before the MLS policy change be amended to make sure any compensation is not open-ended and is objectively ascertainable?**

- Yes. MLS participants working with a buyer after the effective date of the policy should take steps to ensure that the buyer has agreed to the necessary terms required by the settlement agreement.

### **Can buyers and buyer brokers rely on an offer of compensation that was on the MLS prior to the effective date of the MLS policy changes?**

- If the sales contract is signed before the MLS policy change, the buyer broker should be able to rely upon the offer of compensation even if closing occurs after the date of the policy change.
- But if the sales contract is not signed before the date the participant's MLS implements the policy changes, the offer on the MLS will not be valid and buyers and buyer brokers may wish to protect themselves in writing with the listing broker or seller through a broker agreement or by including the offer of compensation in the sales contract.

Please visit [www.facts.realtor](http://www.facts.realtor) for a full list of FAQ's from NAR pertaining to the settlement agreement.