

Your Guide to the NAR Settlement & Bright MLS

Nothing is changing— for now

The proposed settlement still needs to be approved by the court, and regardless of whether that happens, these things will **not** change:

- Buyers will continue to be able to be represented by REALTORS®.
- Sellers and their brokers will continue to have the option to pay the buyer's broker.

But be aware— changes are coming

Here are the two most important expected changes:

- Every broker representing a buyer will need to enter into a contract that says how much the broker may earn. That must be signed before taking a potential buyer on a home tour.
- Under the old system, brokers made “blanket offers” to share commissions. Under the new system, instead of “blanket offers” of compensation, buyers are likely to ask sellers to pay certain closing costs, including buyer-broker fees. You would enter into the MLS your seller client's willingness to cover closing costs, which we expect to be handled at closing the same way sellers currently pay for buyer-broker fees and other closing costs.

Updates expected in Bright MLS

The proposed changes are expected to go into effect in **late Summer 2024** (possibly August or September).




- Offers to pay the buyer's broker would no longer be allowed in the MLS or on any site or app fed by the MLS's data (e.g., portals, showing tools, etc.) except for the broker's own website for their own listings. (Note that using some other system to do the same thing risks lawsuits.)
- A seller's agent will be able to enter into the MLS whether a seller client is willing to consider a request to pay closing costs, which may include broker fees. An amount may also be entered, and then the parties will be free to negotiate the payments in the deal. For example, the agent may indicate in the MLS:
 - “Seller invites purchase offer to request closing cost payments”
 - “Seller willing to offer to pay x% to closing costs”

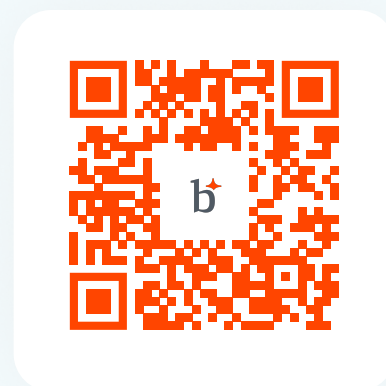
MLS subscribers will not be allowed to put a specific amount of buyer-broker compensation in any field in the MLS.

How to prepare

Visit BrightMLS.com/NARSettlement to find the latest news and developments as they happen. We will continue to update this page as more information becomes available.

You'll also find:

-  Webinar with Bright MLS Legal Counsel Brian Schneider
-  Frequently asked questions
-  Additional resources from Bright and NAR



Top 5 FAQs

1 When will the new rules go into effect?

We believe the new rules will go into effect later this summer. You should start now to consider how and when to discuss the new system with your clients.

2 What does the NAR settlement actually do?

It ends most of the lawsuits for the hundreds of brokers, agents, associations, and MLSs that have been sued in courts around the country. NAR would cover the settlement amount for nearly all brokers, agents, MLSs, and associations.

3 Are home prices going to drop as a result of this settlement?

We do not believe so. Home prices are a result of many factors, including mortgage rates, inventory, demographics, and the general economy.

4 What potentially is changing the most?

Buyers will agree in advance what their broker will earn in the transaction.

5 How does this affect sellers?

Sellers can still agree to pay the buyer's broker what they agreed they should earn in the transaction.