

# HOME SELLER'S GUIDE TO CO-OPERATIVE COMPENSATION

AND THE NATIONAL ASSOCIATION  
OF REALTORS® 2024 SETTLEMENT

The sale of your home is a big decision, emotionally and financially. In addition to thinking about your real estate goals, you may be hearing news stories about big changes in the real estate industry.

At Berkshire Hathaway HomeServices Chicago, our mission is to help you Move Confidently, we'd like to talk about what this news means for you.



**Move  
Confidently.**

Berkshire Hathaway HomeServices Chicago





In March, the National Association of Realtors (NAR) announced a proposed settlement that includes residential real estate business practices. This includes three things that sellers should understand:

- As always, sellers are not required to offer co-op compensation to a buyer's agent
- The MLS will no longer have a designated field to offer compensation to buyer representatives
- Before doing home showings, buyers and agents must have a signed agreement that includes compensation terms

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## BUYER AGENT COMPENSATION & YOUR HOME MARKETING PLAN

Currently, when listing their homes, many sellers in our market pay compensation to their listing broker which can include buyer's agent compensation. This is known as "co-operative compensation." The amount of buyer agent compensation you offer, if any, is your decision.

This is one of many elements of the overall marketing strategy that you and your agent will discuss as you plan the sale of your home, such as the pricing, timing of when the listing is active, staging, photography, broker promotion, digital advertising and open house schedule. Your BHHS Chicago agent will offer insight and expertise to help you achieve your goals.



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# ANSWERING YOUR QUESTIONS

## **Why would a seller want to offer compensation to the buyer's agent?**

Offering compensation to the buyer's agent means that the home will appeal to the broadest possible group of buyers, giving you the greatest opportunity to maximize your return.

Some buyers only consider properties with buyer compensation offered in order to manage their closing costs. Under most circumstances, buyer's agent compensation cannot be financed, so buyers would need to have those funds at closing which may limit them from considering your home as an option.

## **Are sellers still allowed to offer compensation to the buyer's agent or other buyer concessions?**

Yes, sellers can still offer co-operative compensation to the buyer's agent. Sellers can also offer financial concessions to buyers that can be used for a variety of expenses, which may include buyer agent compensation.

## **How will the listing agent advertise buyer compensation if a seller offers it?**

BHHS Chicago agents will continue to publish co-op compensation offers in the MLS so that this information is available to the maximum number of people, for as long as we are able to do so.

When the settlement changes go into effect this summer, the MLS will not have a dedicated place for buyer's agent co-op compensation, but notes may be included if the seller is willing to offer financial concessions to a buyer.

BHHS Chicago is working on solutions for sharing buyer's agent compensation information with other brokers, such as publishing these on our website and in property marketing materials.

## **If sellers do not offer buyer agent compensation, can the buyers ask for this later?**

Yes. When making a purchase offer, a potential buyer may include the terms of the offer like the purchase price, closing timeframe, and any contingencies. They may also request buyer agent compensation and financial concessions or credits from the seller.

Your BHHS Chicago agent will follow your instructions to present offers to you with all relevant information. You will be able to compare all offers and make the decision that is best for you.

## **Can't the listing agent represent the buyer, too?**

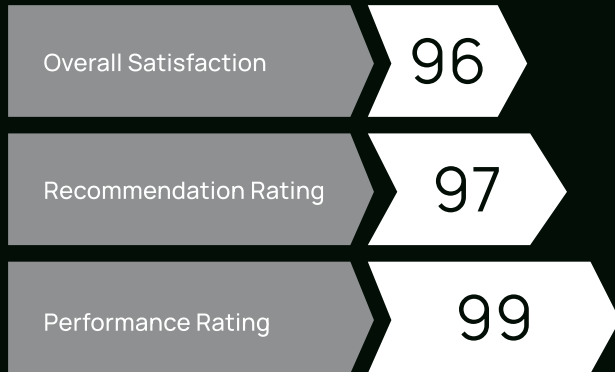
Many listing agents choose not to represent a buyer in the same transaction so that they can be fully committed to the interests of their sellers.

Your agent will talk to you about dual agency and what this means for your representation. If a buyer requests representation, and your agent is considering this, you will have the choice about how to proceed.

## **If my home is already on the market or under contract does anything change?**

We will continue to market your home to attract the largest buyer pool and achieve your goals. Our Listing Agreement remains in place so that we can sell your home. Your agent and the professional staff of BHHS Chicago will provide the same outstanding service to get you to the closing table.

## BHHS CHICAGO SELLERS MOVE CONFIDENTLY



\*BHHS Chicago seller post-closing surveys, last 12 months

## SELLER OUTLOOK



\*MRED residential closed sides, last 12 months

  
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