



**Honolulu Board of REALTORS®: Talking Points for Consumers
NAR Settlement**

Updated Aug. 19, 2024

The following messages are intended for HBR's members to use as a reference ahead of conversations with consumers about the NAR settlement and its impact. This document should not be shared externally.

HBR and Member Messages for Conversations with Consumers

We are making procedural changes to benefit home buyers and sellers.

- As a result of the National Association of REALTORS® settlement related to the way real estate agents are paid, the real estate industry is making several changes to benefit both home buyers and sellers.
- The two main changes consumers should be aware of are related to how REALTORS® are compensated for their services and using written buyer agreements.
- Ultimately, these new practices will result in increased transparency while preserving and improving consumers' choices.

Offers of compensation are no longer included on Multiple Listing Services (MLS).

- First and foremost, a REALTOR®'s duty under the REALTOR® Code of Ethics has been and continues to be to have open and honest conversations with consumers throughout the home buying or selling process.
- As before the settlement, REALTORS® must explain compensation is fully negotiable, and offers of compensation remain an option as a matter of negotiation between the real estate professional and the consumer.
- For sellers, offering compensation to buyer brokers is a way of marketing your home and making your listing more attractive to buyers as it may expand the pool of eligible buyers.
- Offers of compensation are no longer included on Multiple Listing Services (MLSs)—local marketplaces used by both buyer brokers and listing brokers to share information about home inventory.
- Listing brokers can, however, still make offers of compensation off-MLS if their seller agrees, and sellers can still offer buyer concessions to help get the sale of their home to the closing table (for example, concessions for buyer closing costs).
- Buyers can also request that the seller provide financial assistance to pay their agent as a term in their written offer on the property.
- Many buyers will need help to pay for their buyer agent, since it is not allowed to be included in their mortgage, and buyers already struggle to come up with cash for their downpayment and closing costs.
- Sellers should expect to have a conversation with their REALTOR® when they sign their listing agreement, about whether they would be willing to assist the buyer in paying for their buyer agent.

Buyers working with an agent will need to sign a written agreement before touring a home in person or virtually.

- For buyers who are working with an agent, a written agreement is required before visiting an open house or a live virtual tour, so each party understands exactly what services and value will be provided, and for how much.
- These agreements will be crafted to best meet the needs of the consumer, including how long it lasts, what level of services will be provided, and how an agent will be compensated, which continues to be fully negotiable.
- A buyer who is not working with an agent does not need a written agreement if they are just speaking to a listing agent at an open house or asking them about their services.
- Listing agents hosting an open house or scheduling a showing appointment for a buyer do not need to a written agreement and should not ask to see the buyer's written agreement.
- When finding an agent to work with, we encourage buyers to ask questions about compensation and these written agreements.

Connect with a trusted REALTOR®.

- While some of our practices have evolved, what hasn't is the value of working with a REALTOR®.
- REALTORS® are trusted experts who adhere to a strict Code of Ethics and high professional standards.
 - We help reduce stress throughout the complicated, high-stakes transaction period.
 - We make navigating the home buying and selling process, including the legal and financial aspects, easy to understand.
 - We use our extensive experience to manage difficult negotiations, write the best offer possible, set the right price for a listing, and help our clients avoid common mistakes—all to ultimately help successfully close a transaction, saving them money and time.
- As advisors, we represent your best interest and work to achieve your real estate goals.