

BROKER BACKPACK GUIDEBOOK





INTRODUCTION

This guidebook provides essential guidance on mandatory MLS policy changes, modifications to the ROAM MLS rules set, and business practice adjustments necessary in our marketplace in light of the implementation of the NAR settlement agreement terms.

NOMAR, together with ROAM MLS, is dedicated to supporting you through this transition as seamlessly as possible. We are equipping you with resources that will assist you in reviewing, revising and refining how you and your agents operate ahead of **our August 15th implementation date.**

Your adaptability is crucial as we navigate this path together. Along with [our Broker Backpack landing page](#), this guidebook is designed to help you understand, adjust to, and implement the upcoming changes so that you can continue to serve clients and customers now and into the future

While it's undeniable that the way we do business—the “how”—is evolving, it is also true that there is a legacy and a lineage that ties the past to the present. The core—the “what” and the “why”—remains constant. **Now as always, REALTORS® provide representation, indispensable service, and consumer value in helping clients navigate the biggest transaction of their lives.**

This is a moment of opportunity to elevate the profession and own your value in a dynamic and competitive marketplace. Consumers are watching; seize this chance to meet the challenge and rise to the peak of professional excellence. **Keep your gaze fixed on the mountaintop as you blaze the trail ahead, strengthen your relationships, and grow your client base.**

Ultimately, we are confident this transition will serve to bolster the significant value you offer as a real estate professional. Our industry will emerge from this period stronger and improved by these changes.

Most importantly, remember you are not alone. While there are decisions you must make independently, you are never without support. **NOMAR is here for you and will remain steadfastly by your side.**

THE NEW LANDSCAPE





THE NEW LANDSCAPE

Effective midnight on Thursday, August 15, 2024, compensation fields will no longer be available at any level (list, active, sold) for any property type (residential, lease, commercial) within ROAM MLS.

The following input fields will no longer be available:

Matrix: All listing types

- Commission to Cooperating Member Participant
- Commission TCMP Type

Matrix: Lease listing type

- How Commission Paid
- When Commission Paid

Paragon: All listing types

- Commission Type
- Commission Amount

Concessions fields will not change. *This field must not include any compensation information.*

In addition to the changes regarding the communication of compensation, NAR Policy Statement 8.13 requires that MLS Participants working with a buyer be **required to have a written Buyer Representation Agreement in place prior to touring a home.**

After August 15th, failure to have an executed, compliant buyer representation agreement prior to touring a residential for sale property will result in the imposition of the following fines:

- 1st Offense: \$1,000 Fine
- 2nd Offense: \$2,500 Fine
- 3rd Offense: Immediate 90-day suspension of MLS Services for MLS Participant/Subscriber.

Violations may be reported as any other MLS violation, through the link on the listing in the MLS.

State legislation ([Act 690](#)) requires the use of Buyer Representation Agreements when practicing real estate in Louisiana, effective August 19, 2024.

Upon the effective date of state law, ROAM shareholders will report the offense to LREC.



IN SUMMARY

- **Starting August 15th:**

- You must have a signed buyer/broker agreement in place prior to touring a home. Violations of this policy will incur a fine, and may be followed by suspension of MLS access for subsequent violations. The practice will be required by state law, effective August 19, 2024.
- The form you use is a decision made at the broker level, but you can view guidance and sample forms from Louisiana REALTORS® [here](#).
- Compensation disclosures must be made to prospective sellers and buyers.
- ROAM MLS must eliminate and prohibit offers of compensation within the MLS.

- **How we're supporting you**

- We have assembled this guide as well as a [landing page](#) with tools and resources to assist you in this transition. *Note: The information in this guide is not exhaustive; it is designed to be an overview and quick start guide. Additional resources are linked within and should be fully examined, in addition to consultation with your legal counsel.*
- We have reimagined our quarterly Broker Breakfasts as the 2024 NOMAR Broker Summits: a full-day professional development seminar designed to equip you for success, so that you can bring information and resources back to your agents.
 - Southshore Summit: July 19th
 - Northshore Summit: July 26th
- Coming soon, we will launch our Broker Engagement and Advocacy in Action Roadshow--a comprehensive tour of our region in partnership with NAR, local government officials, and neighboring associations.
- You can expect revised sample forms, in addition to those already available from Louisiana REALTORS®, to be available soon.
- Information on these events will be available at nomar.org/backpack.

THE PATH FORWARD





THE PATH FORWARD

Make a note of these critical dates and deadlines.

JULY 19

SOUTHSHORE BROKER SUMMIT



JULY 26

NORTHSHORE BROKER SUMMIT



**MLS TERMS OF USE AND COMPLIANCE
RULES EFFECTIVE DATE**



AUGUST 15

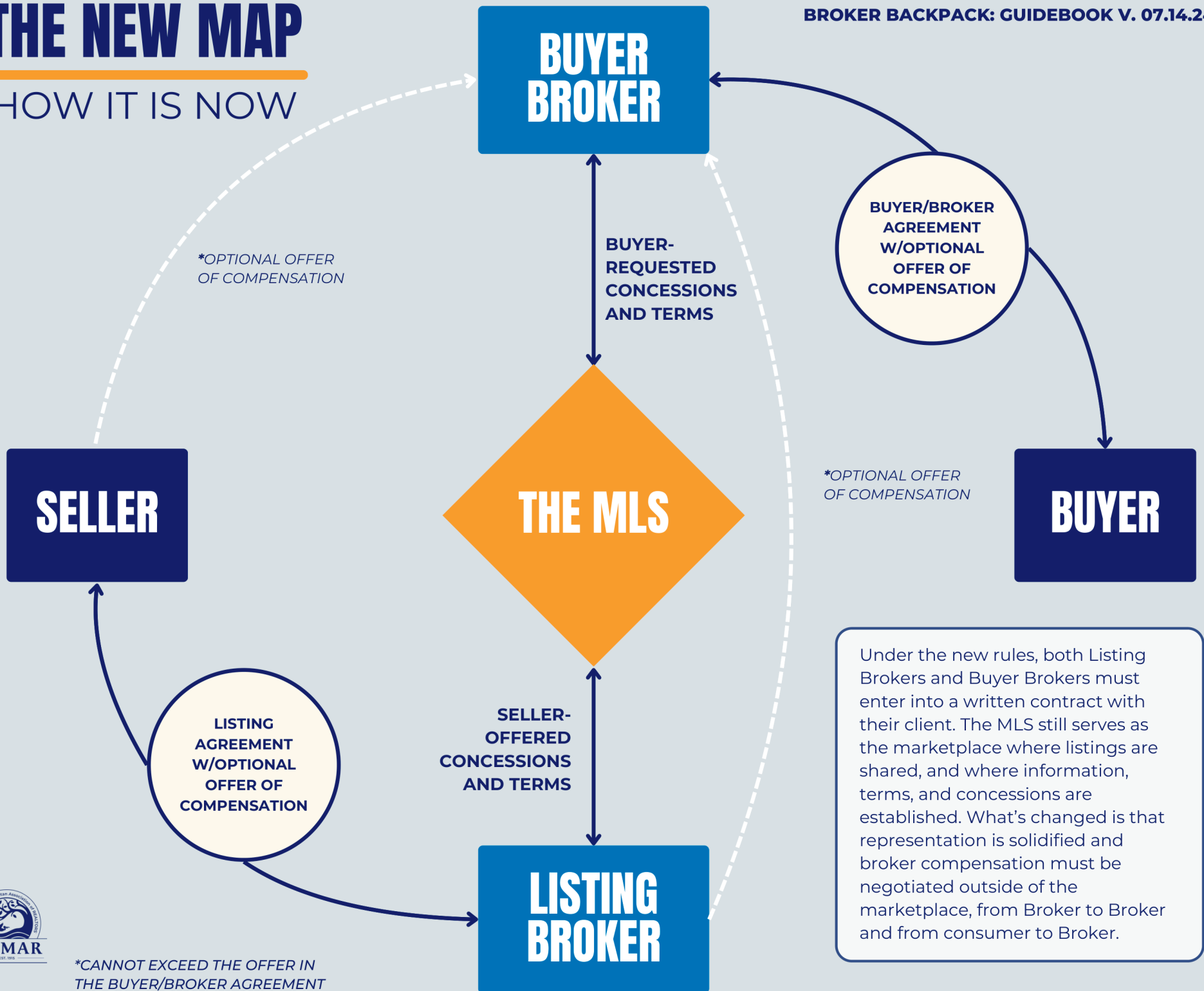


AUGUST 19

**STATE LAW ACT 690 GOES INTO EFFECT.
ALL REAL ESTATE LICENSEES REQUIRED TO
INTEGRATE BUYER REPRESENTATION
AGREEMENTS IN LOUISIANA.**

THE NEW MAP

HOW IT IS NOW



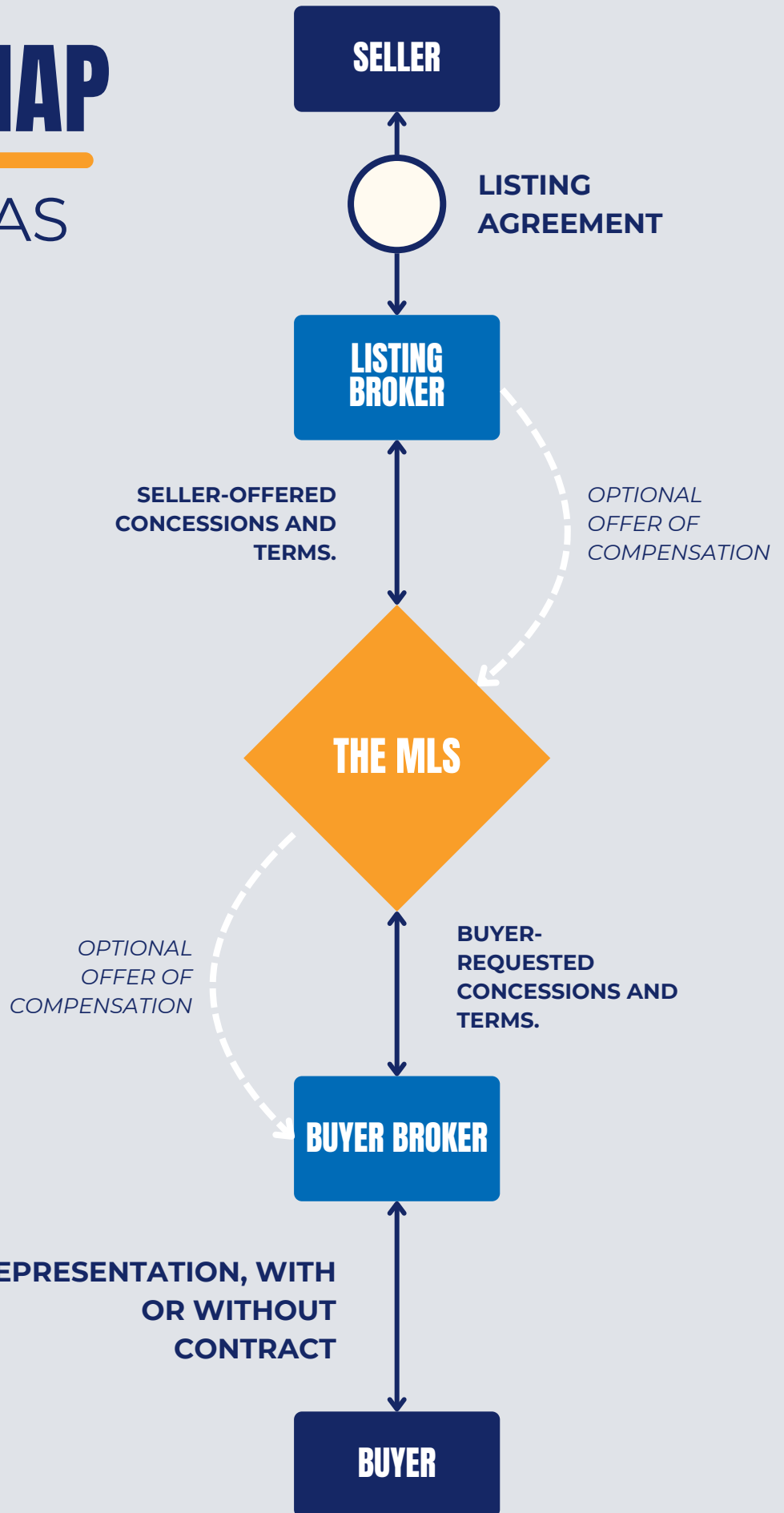
**CANNOT EXCEED THE OFFER IN THE BUYER/BROKER AGREEMENT*



THE OLD MAP

HOW IT WAS

Under the old norms of business, only sellers and Listing Brokers were required to have a written agreement. Terms, seller-offered concessions, buyer-requested concessions, and optional offers of compensation were all funneled through the local housing marketplace, which we know as the MLS.



BUYER AGREEMENTS 101

Beginning **August 15th**, the use of written agreements will become mandatory for ROAM MLS participants when working with a buyer, before touring a home. So what is “working with” a buyer?

WHEN YOU PROVIDE BROKERAGE SERVICES TO A BUYER SUCH AS:



RESEARCH

Identifying potential properties

SHOWINGS

Arranging for the buyer to tour a property



NEGOTIATIONS

Performing or facilitating negotiations on behalf of the buyer

OFFERS

Presenting offers from the buyer to the seller



WHAT COUNTS AS A TOUR?

When you enter a residential home of at least one and no more than 4 units to show it to the buyer, virtually or in-person, under your direction.

NOT A TOUR:

- ✗ An open house
- ✗ Showing an unrepresented buyer one of your listings at their request

BUYER AGREEMENTS 101

What does a compliant Buyer/Broker agreement contain?

4

CORE ELEMENTS



1

THE DISCLOSURE

Specific and conspicuous disclosure of the amount or rate of compensation or how this amount will be determined.

2

THE AMOUNT

The amount of compensation you will receive, stated in a concrete, objective manner that is not open-ended.

3

THE AGREEMENT

A term that prohibits you from receiving compensation for brokerage services from any source that exceeds the agreed upon amount or rate.

4

THE DISCLAIMER

Conspicuous statement that broker fees and commissions are not set by law and are fully negotiable.



BUYER AGREEMENTS 101

What else can you incorporate when establishing a Buyer/Broker agreement?

OTHER CONSIDERATIONS

FORMAT

Organized, understandable, clearly written, legible. Areas of caution: Avoid pre-filling key terms like length of the agreement and compensation and changing provisions without legal advice.

SERVICES

What specific brokerage services will you provide to the buyer?

TERMS

What will be the duration of the agreement? Will there be an automatic extension? Buyer agreements may also include provisions addressing termination with cause and without cause by both you and the buyer.

CONFLICTS OF INTEREST

How will you resolve potential conflicts of interest during the term of the agreement?

MORE INFORMATION



Source: "Written Buyer Agreements 101",
National Association of
REALTORS®



Louisiana REALTORS®
Forms Library

REPRESENTATION TYPES

Short form, limited service, agency, non-agency, transactional, customer, among others.

PROTECTIONS & DISCLOSURES

Common additions include contractual obligations of the buyer, duties of confidentiality owed to the buyer, the Equal Housing Opportunity statement, warnings regarding wire fraud as well as video and audio recording by sellers while touring a home for sale.

ADDITIONAL COMPENSATION & FEES

In addition to the mandatory provisions, you may negotiate a retainer fee with the buyer, which may be included in total compensation, credited against compensation and/or refundable.

DISPUTE RESOLUTION

Will you include a provision regarding mandatory or optional alternative dispute resolution? Some options include mediation, arbitration, and/or a waiver of the right to trial by jury and class



BROKER-TO-BROKER AGREEMENTS 101

Effective August 15, 2024, offers of compensation will no longer be permitted via the MLS and all compensation fields will be eliminated across MLS platforms.

However, the settlement expressly preserves offers of compensation as an option when agreed upon by the consumer and the broker. So what do you need to know when arranging a broker-to-broker compensation agreement?

COMPENSATION IS NOT REQUIRED

NAR policy does not require compensation or dictate any amounts. Compensation is not fixed or set by law. Best practice would recommend including a conspicuous disclosure regarding the nature of compensation in any agreement.

OFFERS OF COMPENSATION CAN BE MADE OFF-MLS

The amount—and existence—of any offer of compensation is an option solely determined by the real estate professional and the consumer. Offers of compensation for the broker's listing could be communicated through common marketing methods such as on the broker's website, signs, flyers, social media posts, or by communicating directly with the buyer broker.

SELLER CONSENT IS REQUIRED

Before you make an offer of compensation or a payment to another broker, agent, or other representative (e.g., a real estate attorney) acting for a buyer:

- You must conspicuously disclose to sellers and obtain seller approval for any payment or offer of payment that a listing broker will make to another broker acting for buyers; and
- This disclosure must be made to the seller in writing in advance of any payment or agreement to pay another broker acting for buyers. You must also specify the amount or rate of such payment.

MORE INFORMATION



Source: "Broker-to-Broker Agreements 101", National Association of REALTORS®

NOMAR BROKER SUMMIT

ELEVATING THE PROFESSION. TOGETHER.

2024

What does it look like for brokers and managers to work and advocate while continuing to elevate the profession in the "New Normal" of the post-settlement world? That's the question we will help you answer at our inaugural Broker Summits on the Northshore and the Southshore. Join us for a full day of critical professional development, planning, and advocacy.

Get the latest on best practices and info on the changing shape of real estate so that you can empower your brokerage, agents, and clients. ***This summit is not for CE.***

AGENDA

8:00 AM - 8:30 AM: Breakfast and networking

8:30 AM - 9:30 AM: Networking and breakfast with the Board

9:30 AM - 10:30 AM: Session 1 - Legal Update - Will cover procedurally where the NAR settlement stands, together with other ongoing legal concerns and the newly instated rules of doing business as a REALTOR®.

10:30 AM - 11:30 AM: Session 2 - Policy & rule changes - Rule changes and how to incorporate them into your business; in-field best practices; what used to work vs. what works now

11:30 AM - 1:00 PM: Lunch with C2EX Presentation

1:00 PM - 2:00 PM: Session 3 - Code of Ethics Considerations and Trends- COE revisions and review; how these changes impact business; how the Code of Ethics supports the duties of agents who are REALTORS®

2:00 PM - 2:30 PM Break

2:30 PM - 4:00 PM: Session 4 - Learning Lab Forums - Collaborative discussion designed to facilitate dialogue and spark new ideas on the practical application and implementation of key changes in your business.

- The new buyer-rep agreement - Session one, 30 minutes
- The listing agreement - Session two, 30 minutes
- The client consultation - Session three, 30 minutes

4:00 PM - 5:00 PM: Session 5: Advocacy in Action - Legislative updates, the importance of consumer education and dissemination of information through advocacy; educational resources and wins from the state and national level; and how you can be a REALTOR® champion locally. With special guest, **managing broker and 2024 NAR REALTOR® Party Liaison, Kitty Wallace.**

TELL US WHAT YOU THINK



BROKER
INPUT
FORM