

REALTOR® ROADMAP





INTRODUCTION

This roadmap 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 operate ahead of **our August 15th implementation date.**

Your adaptability is crucial as we navigate this path together. In addition to our landing page at nomar.org/roadshow, 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. **As the road unfolds before you, keep your hands on the wheel and your gaze fixed on the horizon, as you 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 RULES





THE NEW RULES OF THE ROAD

Effective 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® at <https://www.larealtors.org/forms-library>.
- 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 delivered two well-attended Broker Summits and embarked on a ten-parish tour to widely disseminate the critical information we presented at our inaugural NOMAR Broker Summits.
- New sample forms are now available. Scan the QR codes to download:



**Residential Listing &
Exclusive Right to Sell
Agreement**



**Amendment to
Listing
Agreement**



MLS DETOURS



MLS DETOURS

TOP 3 MLS VIOLATIONS



1 Clear Cooperation Policy **Section 1.01 Clear Cooperation**

Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.



2 Residential Property Disclosure Requirement **Section 1.2 Detail on Listings Filed with the Service**

All properties required by law to have the Property Disclosure Document (PDD) Forms, shall submit those disclosures to MLS when the listing agreement is submitted, but no later than three (3) business days of listing entry unless the property is exempt from the Residential Property Disclosure. Any listing with a claim of an exemption should upload the exemption page clearly stating the basis for the exemptions from the PDD requirement.



3 Confirmed Appointment Requirement for showings **Section 2 Showings and Negotiations**

No one shall enter a listed property without authorization. All appointments for a listed property must be authorized through the ROAM provided showing service(s) or the listing agent/broker, or as otherwise indicated in the Private Remarks of the MLS.

Once a licensed Participant or Subscriber grants access to the property to any third party, they MUST remain on site while the third party they have granted access to the property is on the premises. Third parties may include, but are not limited to, clients, client's family and friends, appraisers, inspectors, contractors, roofers, etc.'. If a listing agent obtains authorization from the seller or responsible party, they may allow third parties to remain on the premises without the presence of a licensed agent.

ABOUT THE REMOVAL OF COMPENSATION



Regarding the Elimination of Compensation Fields

- As of August 15th, 2024, all compensation fields will be removed from the MLS. At this time, no mention of compensation whatsoever will be allowed in the MLS or any MLS products such as ShowingTime.
- The MLS plans to install a safeguard tool to search for prohibited words related to offers of compensation. This tool will warn listing agents of a possible prohibited word or phrase prior to making the listing active. It will not prevent the listing from going into active status, it will simply require that the listing agent revisit the remarks section and ask that they take any required action to prevent a potential violation.

The Path Forward: Key dates Implementation Timeline



August 15th

- New Roam MLS Terms of Use and Compliance Rules effective date

August 17th

- NAR National effective date for MLS Rules and Policy Changes

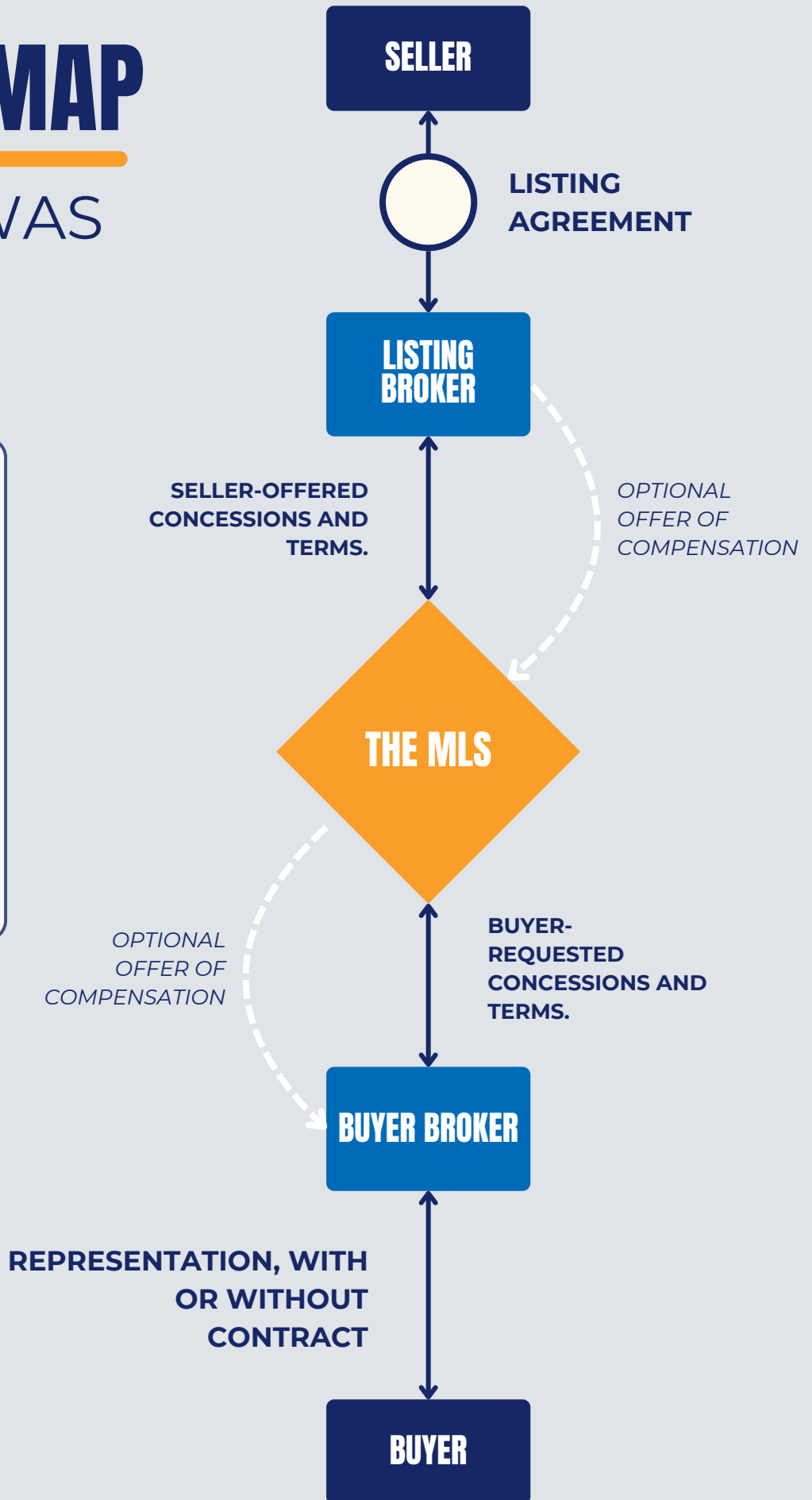
August 19th

- State Law ACT 690 goes into effect. All Real Estate licensees required to integrate Buyer Representation Agreements in Louisiana.

THE OLD MAP

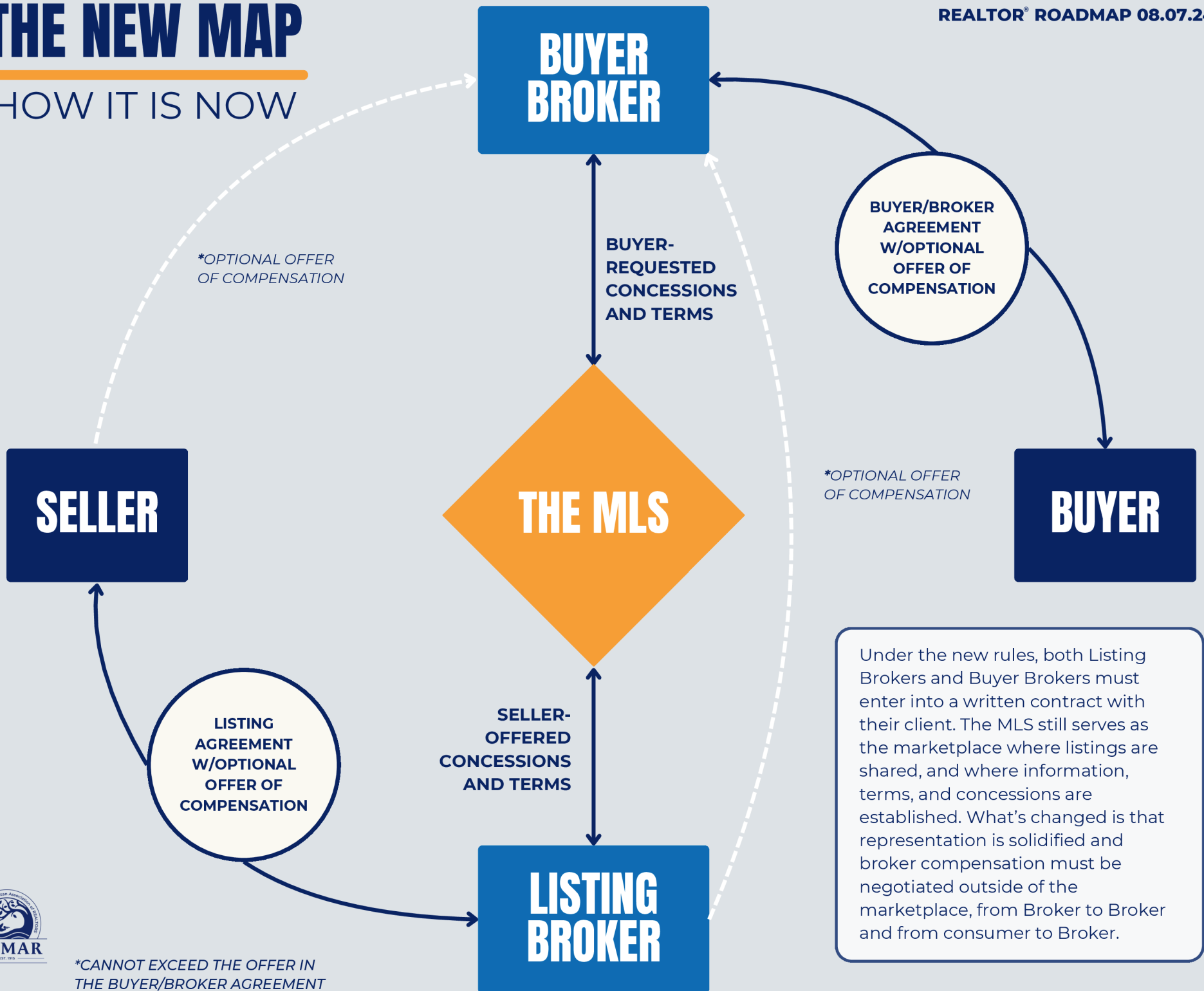
HOW IT WAS

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.



THE NEW MAP

HOW IT IS NOW



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



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

**VISIT FAIRHAVEN
TODAY**



**DOWNLOAD THE
C2EX APP**



TELL US WHAT YOU THINK



**REALTOR®
INPUT FORM**