

NAR Settlement and the 2024 GAR Broker Compensation Forms: What It Means for Georgia Realtors

GREC Course #77540

3 hrs CE Credit Offered Through:
Real Estate Academy of America
GREC School #6915



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- **Real Estate Academy of America (GREC School #6915)** with end date of renewal being December 31, 2026, presents to you the following course of study:

“NAR Settlement and the 2024 GAR Broker Compensation Forms: What It Means for Georgia Realtors”

GREC Course #77054

- This is a Classroom / Virtual / Remote Broadcast of an approved in-class course, is 3 hours in duration, and is approved by the Georgia Real Estate Commission for the purpose of Continuing Education (CE.) There are no pre-requisites to receive credit for this course. This course does NOT have required homework not any required written examination.
- Your instructor(s) for this course will be: **Andrew Hartman**
- **Attendance policy:** All students must be on-time and present for all classroom /remote / virtual broadcast instruction hours in order to receive credit for this course. Roll call and documentation of Student’s Real Estate License Number will be conducted virtually via a “Chat Function” at the beginning and end of each session, and after all breaks.
- **STUDENTS MAY NOT TAKE MORE THAN ONE VIRTUAL CLASS SIMULTANEOUSLY OR WITH OVERLAPPING TIMES REGARDLESS IF THEY ARE OFFERED THROUGH ONE SCHOOL OR MULTIPLE SCHOOLS. IF STUDENT ATTEMPTS THIS, STUDENT WILL NOT RECEIVE CE CREDIT FOR EITHER CLASS.**
- **Continuing Education Notice:** Students may only receive credit for a specific course number once every twelve months. If you have already received credit for this course within the last twelve months, you are invited to attend but will not receive additional credits.
- **Prohibition of Recruitment:** No recruiting for employment opportunities for any real estate brokerage firm is allowed in this class or on the school premises. Report promptly any effort to recruit on behalf of a brokerage firm by anyone including a fellow student to the Director of Georgia Real Estate Academy, Dana Sparks 678-580-6880, the Coordinator of Georgia Real Estate Academy, Heidi Kelly, 470-592-0113, or the Georgia Real Estate Commission.

UPDATE:



NATIONAL
ASSOCIATION OF
REALTORS®

NAR UPDATE

— LAWSUIT SETTLEMENT —

DOJ
VS
NAR

SITZER-BURNETT VS NAR

The case: Sitzer-Burnett is a class-action lawsuit that was filed in Missouri federal court by a group of home sellers in the state against NAR and other Broker defendants.

The plaintiffs claimed that real estate commission rates are too high, buyers' representatives are paid too much

Claim that NAR's Code of Ethics and MLS Handbook, along with the corporate defendants' practices, lead to inflated commission rates.

SITZER-BURNETT VS NAR

At the October 2023 trial, the plaintiffs took particular issue with cooperative compensation, i.e., when a listing broker makes an offer of compensation to the cooperating broker.

NAR tried to explain that “Offer of compensation” does not mean that a specific amount must be paid—the offer can be any amount, including in many cases, \$0.

NAR introduced evidence to show how the real estate market-place works and how cooperative compensation benefits consumers.

NAR also showed that its rules prohibit anticompetitive behavior and encourage the free market and competition.

However, the jury found for the plaintiffs.

Where we are now: NAR COMMISSION LAWSUITS

The court granted preliminary approval of NAR Settlement on April 24, 2024.

\$418 million paid by NAR to tens of millions of plaintiffs over a 4-year period

Many other defendants also paying

The practice changes set forth in the settlement agreement take effect August 17, 2024

The settlement is subject to final court approval. The final approval hearing is scheduled to take place on November 26, 2024

DOJ V. NAR

DOJ & NAR reached Settlement in 2020

NAR agreed to change several key industry trade practices

In 2021 the new Administration withdrew the Settlement - Historic

Key Takeaways:

DOJ seeks “complete decoupling of commission” = no sharing between Brokers

DOJ wants all offers of comp to Buyer Broker to end

DOJ is watching to make sure no industry “workarounds” that would circumvent the new rules

WHAT THE SETTLEMENT AGREEMENT MEANS FOR REALTORS

If you are an agent with a Brokerage who has a FINALIZED Settlement, you must check with your Broker regarding the Terms of your Firm's Settlement Agreement (Keller Williams, Re/Max & Anywhere (which has many Broker Brands including: Coldwell Banker, Century 21, ERA, Better Homes & Gardens) HomeServices of America (includes Broker Brands such as Berkshire Hathaway, Harry Norman)

If you are a member of NAR (i.e. a REALTOR®) regardless of the Brokerage who holds your license, as an AGENT, the terms of the NAR Settlement apply to you.

Remember that for ALL members of NAR....

Due to lack of FINAL approval, some of these terms may still change

TWO SUBSTANTIVE CHANGES REQUIRED BY THE LAWSUIT FOR REALTORS AND MULTIPLE LISTING SERVICES

ONE: Compensation offers moved off MLS: NAR has agreed to put in place a new rule **prohibiting offers of compensation on an MLS**. Offers of compensation could continue to be an option consumers can pursue off-MLS through negotiation and consultation with real estate professionals.

And sellers can offer buyer concessions on an MLS (for example—concessions for buyer closing costs). This change will go into effect August 17, 2024.



“Check out the beautiful photo of my new listing!”

TWO SUBSTANTIVE CHANGES REQUIRED BY THE LAWSUIT FOR REALTORS AND MULTIPLE LISTING SERVICES

LISTEN, LINDA, LISTEN...



I can't show you houses till you sign this buyers agreement

TWO: Written agreements for MLS Participants acting for buyers:

While NAR has been advocating for the use of written agreements for years, in this settlement NAR agreed to require MLS Participants working with buyers to **enter into written agreements with their buyers before touring a home.**

This change will go into effect August 17, 2024.

BUYER BROKERAGE ENGAGEMENT AGREEMENTS

The written agreement must include:

1. A specific and conspicuous disclosure of the amount or rate of compensation the Participant will receive or how this amount will be determined, to the extent that the Participant will receive compensation from any source.
2. The amount of compensation in a manner that is objectively ascertainable and not open-ended.
3. A term that prohibits the Participant from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer; and
4. A conspicuous statement that broker fees and commissions are not set by law and are fully negotiable.

IMPLEMENTING THESE CHANGES IN GEORGIA: WE ARE ALREADY YEARS AHEAD!

- Georgia is YEARS (approx. 10 years according to GAR) ahead of many other states with regard to Laws about practicing Real Estate & the GAR contracts & addressing many of these issues & more
- Buyer Brokerage Laws – only 18 states have these – Georgia DOES
- GAR Contracts have 2 year statute of limitations
- GAR Contracts include language prohibiting Sellers from participating in Class Action Lawsuits
- GAR Contracts provide for negotiation of Seller-Paid compensation
- GAR contracts provide for negotiation of Buyer-Paid compensation
- GAR contracts provide for negotiation of Co-Op-Paid compensation
- GAR Contract have been revised on 7/1/24 to “fine-tune” the compensation issues raised by the Preliminary NAR Settlement
- FMLS & GAMLS allow Broker & Agent members to utilize their services without being required to join any or any particular Association of REALTORS®

WHAT TO EXPECT IN (BOARD OWNED) MULTIPLE LISTING SERVICES

Co-Op Compensation between Brokers IS ALLOWED

BUT: A REALTOR® Owned / NAR-Member MLS may have NO information about co-op compensation & No attached Compensation documents -- Also may not have co-op information in ShowingTime

NAR-Member MLS MAY indicate “Seller Concessions” to a Buyer in Private Remarks

i.e. “Seller will contribute \$____ to Buyer’s Closing Costs” or “Seller will offer a 1 year Home Warranty” or “Seller will provide a carpet allowance of \$____”

i.e. “Seller offering \$_____ to be used by Buyer in any manner.” (So Buyer could use to reduce sale price, buy interest rate down, apply towards Closing Costs, apply to their compensation obligation to their Broker, apply towards repairs, etc.)

REMEMBER an OFFER of a concession in an MLS is not automatic – it MUST go into a contract! And it must be approved by the Buyer’s Lender.

WHAT TO EXPECT IN (BOARD OWNED) MULTIPLE LISTING SERVICES

Co-Op Compensation MAY be communicated any other way

Email / Text

Broker & Agent Websites

Social Media

Email, Flyers, Handouts, etc.

Signed Compensation Forms

NAR Members may not create an “alternative system” to bypass these MLS provisions

WHAT ABOUT FMLS?

NAR Settlement Update 6/18/2024 (FMLS official statements)

- FMLS is not planning to join the proposed settlement in litigation involving NAR. FMLS is broker-owned and not affiliated with NAR.
- As FMLS members know, our rules have long and explicitly stated that FMLS is in no way involved in determining the compensation charged by real estate brokerage firms or the commission split between cooperating real estate brokerage firms. FMLS has no plan to change that longstanding established position. **However, in light of recent industry discussions and activity, FMLS plans to make the following enhancements:**
- On the MLS listing platform, FMLS will introduce new designated “Concessions” fields
- Add an option for the listing agent to communicate that a seller may be willing to pay compensation to the buyer’s broker
- Inviting buyers to include any requested compensation for the buyer’s broker in the buyer’s purchase offer.
- At this time, all other fields will remain in place and unchanged.
- Finally, FMLS also plans to update REForms in line with industry form changes.

FMLS Rules on Compensation

- **Buyer Agency Offer of Compensation**
- There is a field on every listing - "Buyer Agency Compensation " – which notifies the Buyer Broker Agency of what is offered by the Selling Broker Agency if they participate in a sale of that listing.
- The Buyer Agency Compensation can be entered as a percentage of the sales price or a specific dollar amount.
- **NOTE that although FMLS has a compensation field, many large brokerages are prohibiting their agents from using it or offering comp in the FMLS in any way.**
- While it is allowed in FMLS, using it still may violate the tenor of the settlement.

BE CAREFUL OF “WORK AROUNDS”

Doug Miller is an attorney and executive director of the tiny, volunteer-run nonprofit **Consumer Advocates in American Real Estate (CAARE)**

His organization set the ball in motion that resulted in the Moehrl lawsuit

Doug Miller says offering compensation to buyer brokers in a multiple listing service is “commercial bribery” -- and attempting to “work around” the lawsuit amounts to “a group boycott” of the lawsuit settlement.

THE NEXT TARGET FOR THE LAWYERS WILL BE AGENTS, BROKERS OR GROUPS OF THEM THAT ATTEMPT TO FIND WAYS TO CONTINUE THE STATUS QUO.

BE CAREFUL OF “WORK AROUNDS”

According to Miller and CAARE deputy director Wendy Gilch, some Realtors are perpetuating **three “misleading” talking points**, even after the NAR settlement’s rule changes went into effect on Aug. 17:

1. “Sellers must offer money to buyer brokers (off the MLS) or buyer agents won’t show their houses.”
2. “Buyer agents won’t show houses to buyers unless there is an offer of compensation from listing brokers because they are not going to show houses unless they get paid.”
3. They’ve created a “checkbox” to continue steering, but blame it on being a fiduciary to the buyer. [Giving Buyer option on the BBA to avoid seeing or being made aware of properties where Seller offers \$0 compensation]

“None of these points should be true anymore, and those who continue these practices will likely find their way back into court,” Miller said.

BE CAREFUL OF “WORK AROUNDS”

The screenshot shows the FeeCentral website interface. At the top left is the "FeeCentral" logo. At the top right are "Register" and "Login" buttons. The main content area features the headline "Search and share compensations easily." followed by the subtext "Say goodbye to handling frustrating emails and phone calls by using Fee Central" and a "Sign Up Now" button. On the right side, there is a real estate listing card for a house at 2502 SE 151st Avenue, Vancouver, WA 98674. The listing shows a price of \$425,000 and a 3% buyer's compensation. The listing agent is Shaun Rawls, a Keller Williams - Buckhead agent, with a phone number of 123-456-7890 and an email address of shaun@kw.com. There are buttons for "CALL", "TEXT", and "EMAIL" at the bottom of the listing card.

We are not suggesting that FeeCentral is an unlawful “WORK AROUND”

The Endgame of the Lawsuits and the FUTURE

- (1) Ending of ANY offers of compensation** from a Seller or a Seller's Broker; and
- (2) IF a Buyer wants the compensation they owe the Buyer's Broker to be factored into the sales price or paid by the Seller, Buyer must ask for and negotiate that.**

THIS IS THE FUTURE OF HOW COMPENSATION WORKS.

So, predictably, Almost All of the Mid-Year changes to GAR Forms in 2024 deal with . .



COMPENSATION

New Addition to consumer brochure CB 10 & CB13 “Protect Yourself When Selling/Buying Real Property”

“Broker’s compensation (and who pays it) is always negotiable”

“Can be paid by Buyer, Seller or both”

“Some Buyers will ask the Seller to pay the Compensation . . .”

“VA loans don’t permit the Buyer to pay the Compensation . . .”

No Longer True! June 2024

“the Buyer is essentially making the Compensation part of the sales price”

Protect Yourself When Buying Real Property

Suggestions for the Prospective Buyer



Revision 7/1/24

2024 Printing

This brochure was prepared courtesy of the Georgia Association of REALTORS® to help buyers with the process of purchasing real property. The recommendations herein are general in nature and are not intended to be exhaustive. Some of the recommendations may not apply to specific properties. Buyers are encouraged to consult with experts and professionals of their own choosing to ensure that they are protected in buying real property.

There are few things in life as exciting as buying a property. However, since purchasing real estate is one of the most expensive purchases many of us will ever make, buyers should take reasonable steps to protect themselves in the property buying process. This brochure contains some general suggestions on how buyers can do this.

NEW Section

Broker's Compensation for Professional Services to Broker ("Compensation"). A broker's compensation in Georgia, and who pays it, is always negotiable. Such compensation can be paid by the seller, the buyer or both. Some buyers will ask the seller to pay the Compensation the buyer owes to the buyer's broker. They may do this for a couple of reasons. First, if the buyer is getting a VA loan, the buyer may not be permitted under the loan program to pay the buyer broker's Compensation. Others, particularly first-time home buyers, may not be able to afford to pay the buyer broker's Compensation if it is not included in the buyer's mortgage loan. When a buyer asks the seller to pay the Compensation owed by the buyer to the buyer's broker, the buyer is effectively making the Compensation part of the sales price for the property because most sellers will focus on their net proceeds after the broker's Compensation is paid. When the seller is not initially offering to pay the buyer's broker's Compensation, and the buyer wants the seller to pay this obligation, the buyer will usually include a special stipulation to that effect in their offer to purchase the property. If permitted by the buyer's lender, the buyer can also request the seller to make a monetary "Contribution at Closing" (as per the GAR Purchase and Sale Agreement) which can then be used by the buyer to pay for, among other things, any Compensation owed to the buyer's broker.

Read and keep a copy of any signed contract. A purchase and sale agreement is a legally binding contract. It should be read in its entirety by the buyer before it is signed to ensure that it reflects the business agreement of the parties. Verbal promises not included in the contract are generally unenforceable. Buyers should comply with all time deadlines in a contract since missing a deadline can leave the buyer in breach of contract. Getting an early start on arranging such things as inspections and financing is the best way for buyers to avoid missing deadlines. The buyer should also keep a complete copy of any contract that he or she has signed in the event a dispute arises regarding the authenticity of the contract.

Have the property inspected by a professional property inspector. Property inspectors help buyers evaluate the condition of the property based upon one or more visual inspections of the property. Most properties have at least a few items that will need to be repaired and/or replaced. A professional property inspector can assist in identifying these items by performing an inspection of the property. Requests for repairs are normally received more favorably by sellers when the need for the repairs has been documented in the report of a professional property inspector. Many property inspectors are members of professional associations that, among other things, require their members to perform a standardized inspection of the property. Buyers are encouraged to ask inspectors about their qualifications and expertise in inspecting properties before selecting an inspector.

Thoroughly investigate the property. Sellers are required to disclose known latent defects in a property. Latent defects are those that a buyer could not discover as the result of a reasonable inspection. Before completing the purchase, buyers should use reasonable diligence to investigate the property. In addition to a professional property inspection, buyers should also check for issues of personal concern. Examples include, but are not limited to, floor condition when covered by area rugs, water staining under plants, missing window screens, and any area made physically or visually inaccessible by the seller.

There are many other tests and studies buyers can do in

GAR BUYER AGREEMENTS

- Exclusive Buyer Brokerage Agreement – F110
- Non-Exclusive Buyer Brokerage Agreement – F113
- Agreement to Work with Buyer as Customer – F116
- Any one of these Agreements complies with the NAR Preliminary Settlement
- These may vary in amount of compensation, length of time, identify specific properties, limited to a certain number of properties, etc. – CHECK WITH YOUR BROKER'S POLICY
- These may be amended at any time

F110 Exclusive Buyer Brokerage Engagement Agreement

4. Compensation for Professional Services of Broker ("Compensation"). New title of paragraph

New **a. Generally:** Compensation to Broker(s) is negotiable and is not set by state law. However, this does not obligate individual licensees and brokerage firms to necessarily negotiate their Compensation.

b. Compensation to Buyer's Broker: Buyer agrees to pay Buyer's Broker the Compensation set forth below at the closing of any Contract to Purchase (as that term is hereinafter defined)

_____ percent (_____ %) of the sales price;

\$ _____ ;

(other) _____ .

May NOT be 0% or \$0

New **c. Optional Compensation from Seller or Seller's Broker to Buyer's Broker:** Buyer hereby approves or disapproves Buyer's Broker receiving Compensation from Seller or Seller's Broker. Nothing herein should be interpreted as a promise by Seller or Seller's Broker to pay or offer to pay Compensation to Buyer's Broker herein.

If Buyer approves such Compensation being paid by the Seller and/or Seller's Broker to the Buyer's Broker, the maximum amount the Buyer's Broker may receive from Seller and/or Seller's Broker is as follows:

_____ percent (_____ %) of the sales price;

\$ _____ ;

(other) _____ .

To cover any Seller-Side offered Bonuses. DO NOT LEAVE BLANK!
May NOT be "Open-Ended" such as "Any Bonus offered by Seller Side"

d. Possible Reduction in Buyer's Compensation Obligation to Buyer's Broker: Any Compensation Buyer's Broker receives from Seller or Seller's Broker shall: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

reduce the Compensation Buyer shall pay to Buyer's Broker dollar for dollar;

not reduce the Compensation Buyer shall pay to Buyer's Broker;

special exceptions to the Compensation paid from Buyer to Buyer's Broker, as set forth below:

e. Separate Compensation on Lease: If Buyer leases property or enters into a lease/purchase contract or a lease with an option

F116 Agreement to Work With Buyer As a Customer

4. Compensation for Professional Services of Broker ("Compensation"). NEW Paragraph in Customer Agreement

A. **Generally:** Compensation to Broker(s) is negotiable and is not set by state law. However, this does not obligate individual licensees and brokerage firms to necessarily negotiate their Compensation.

B. **Compensation to Buyer's Broker:** Buyer agrees to pay Buyer's Broker the Compensation set forth below at the closing of any Contract to Purchase (as that term is hereinafter defined) **Buyer's Financial Obligation to Broker for professional services**

_____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

May NOT be 0% or \$0

C. **Optional Compensation from Seller or Seller's Broker to Buyer's Broker:** Buyer hereby approves or disapproves Buyer's Broker receiving Compensation from Seller or Seller's Broker. Nothing herein should be interpreted as a promise by Seller or Seller's Broker to pay or offer to pay Compensation to Buyer's Broker herein.

If Buyer approves such Compensation being paid by the Seller and/or Seller's Broker to the Buyer's Broker, the maximum amount the Buyer's Broker may receive from Seller and/or Seller's Broker is as follows:

_____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

To cover any Seller-Side offered Bonuses
DO NOT LEAVE BLANK! May NOT be
"Open-Ended" such as "Any Bonus offered by
Seller Side"

D. **Possible Reduction in Buyer's Compensation Obligation to Buyer's Broker:** Any Compensation Buyer's Broker receives from Seller or Seller's Broker shall: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

reduce the Compensation Buyer shall pay to Buyer's Broker dollar for dollar;

not reduce the Compensation Buyer shall pay to Buyer's Broker;

special exceptions to the Compensation paid from Buyer to Buyer's Broker, as set forth below:

GAR SELLER AGREEMENTS

- Exclusive Seller Brokerage Agreement – F101
- Non-Exclusive Seller Brokerage Agreement – F104
- Authorization to Show Unlisted Property – F107
- Any one of these Agreements complies with the NAR Preliminary Settlement
- These may vary in amount of compensation, length of time, identify specific properties, limited to a certain number of properties, etc. – CHECK WITH YOUR BROKER'S POLICY
- These may be amended at any time

F101 Exclusive Seller Brokerage Engagement Agreement

4. Compensation to Broker(s) for Professional Services ("Compensation").

NEW a. **Generally:** Compensation to Broker(s) is negotiable and is not set by state law. However, this does not obligate individual licensees and brokerage firms to necessarily negotiate their Compensation.

b. **Compensation to Seller's Broker:** Seller agrees to pay Seller's Broker the following Compensation at the closing of any Contract to Sell (as that term is hereinafter defined) of the Property as follows:

_____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

c. **Optional Compensation to Buyer's Broker:** Seller hereby approves the following Compensation, if any, being paid to Buyer's Broker by either Seller (in addition to the Compensation being paid to Seller's Broker); Seller's Broker (out of the Compensation being paid to Seller's Broker); or Seller and Seller's Broker as set forth in "other" section below.

_____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

If Seller's offer of Compensation to the Buyer's Broker is conditional, specify the conditions here: _____

For all purposes herein, the term "Buyer's Broker" shall mean the Broker, including the Broker representing the Seller, if they are also working with or representing the Buyer as a customer or client.

d. **Separate Compensation on Lease.** If Seller leases the Property or enters into a lease/purchase agreement or a lease with an option to purchase agreement during this Agreement, Seller shall also pay Broker a separate leasing Compensation in the amount

F107 Authorization to Show Unlisted Property

6. Commission.

Will most likely Change to "Compensation" in January 2025 Revision if not before

A. In the event that during the term of this Agreement Broker, pursuant to the above authorization procures a buyer and/or tenant, ready, willing, and able to purchase or lease the Property at the price or rental rate described above or any other price acceptable to Owner; Owner agrees to pay Broker at closing the following commission:

[The sections not marked shall not be a part of this Agreement.]

This form was not revised by GAR 7/1/24

(1) Commission for Selling Property:

_____ percent (%) of the sales price;

\$ _____;

(Other) _____.

(2) Commission for Leasing Property: *[The sections not marked shall not be a part of this Agreement.]*

\$ _____ or _____% of the total rent paid during the initial term of the Lease which amount shall be paid upon Owner's receipt of the first month's rent;

\$ _____ or _____% of the total rent to be paid for each renewal or extension term which amount shall be paid upon Owner's receipt of the first month's rent for such term.

This form was not revised in July 2024 and will likely be updated in January of 2025.

This form will meet the requirement of having a written commission confirmation.

OTHER GAR COMPENSATION FORMS

SOME NEW, SOME WITH CHANGES

- **Pre-Showing Compensation Agreement – F258** (Formerly Titled “Co-Op Commission Agreement To Be Used Prior to Showing”)
- **Broker Compensation Agreement Exhibit – F259** (NEW as of 7/1/24)
- **Instructions to Closing Attorney – F255 (“ITCA”)** (Changes)

F258 Pre-Showing Compensation Agreement

This was formerly the
“Co-Op Commission
Agreement”

NEW Title
7/1/24

PRE-SHOWING COMPENSATION AGREEMENT



2024 Printing

DATE: _____

Date is IMPORTANT - see paragraph below

RE: Property located at _____

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller and/or Seller's Broker, depending on who is paying the compensation to the Buyer's Broker, hereby confirms to Buyer's Broker the compensation for professional brokerage services ("Compensation") to which Buyer's Broker shall be entitled in the event the buyer with whom Buyer's Broker is working with or representing (and who will be identified in any offer made by such buyer through Buyer's Broker) contracts to purchase and closes on the Property. Such Compensation shall be paid to Buyer's Broker by the party identified below at the Closing of such transaction. The Agreement is contingent upon the offer to purchase that is made through the Buyer's Broker working with or representing the Buyer being delivered to Seller's Broker within _____ days of the above-referenced date. The offer of Compensation shall expire if no offer to purchase the property is made within this time frame and this Pre-Showing Compensation Agreement is not otherwise extended by agreement of the Buyer's Broker and the party or Broker paying the Compensation.

1. Compensation Being Offered to Buyer's Broker.

A. The Compensation being offered to Buyer's Broker shall be paid to Buyer's Broker at the closing of the purchase and sale contract as follows: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

How
Much

- _____ % of the purchase price;
- \$ _____;
- _____ (other)

B. The above-referenced Compensation shall be paid by: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

Paid
By

- Seller (in addition to the Compensation Seller is paying to Seller's Broker)
- Seller's Broker (out of the Compensation Seller is paying to Seller's Broker)
- Seller and Seller's Broker as set forth in the "other" section above.

F258 Pre-Showing Compensation Agreement

G If the Compensation being offered to Buyer's Broker is more than Buyer's Broker is permitted to accept, and the buyer does not consent to the additional Compensation being paid, then the offer of Compensation herein shall be reduced to the amount of Compensation Buyer's Broker is permitted to accept.

Note also that if the Compensation offered in this Agreement is greater than the Buyer's Broker is permitted to accept (and Buyer doesn't consent to additional compensation), the offer is reduced to the amount Buyers Broker is authorized to accept.

I. For the transaction involving the parties and Broker(s) herein, this Pre-Showing Compensation Agreement shall modify any previous compensation agreement entered into by the Seller and Seller's Broker – if they both sign this Agreement.

Note also that this form also provides that if the Compensation offered in this Agreement is different than what was agreed upon in the Sellers Brokerage Engagement Agreement, this form can serve as an acceptable modification of that Agreement.

F258 Pre-Showing Compensation Agreement

Note that SELLER MUST SIGN THIS FORM ONLY IF Seller is paying the compensation of the Buyer's Broker stated in the form.

No signature needed if only being paid to Buyers Broker by Sellers Broker

Additional Special Stipulations (F246) are attached.

Buyer Broker

Seller Broker

Buyer Broker's (or authorized representative's) Signature

Date

Seller Broker's (or authorized representative's) Signature

Date

Broker's Phone#

Broker's Phone#

Broker's FAX#

Broker's FAX#

REALTOR® Membership

REALTOR® Membership

If Seller is paying Buyer's Broker Compensation referenced herein, Seller hereby signs this Agreement to confirm Seller's agreement to pay the Compensation to be made by Seller. SELLER DOES NOT NEED TO SIGN THIS AGREEMENT IF ALL COMPENSATION TO BE PAID HEREIN TO BUYER'S BROKER IS BEING PAID BY SELLER'S BROKER.

Seller's Signature

Date

Seller's Signature

Date

Additional Signature Page (F267) is attached.

F259

Broker Compensation Agreement Exhibit

“This Agreement should not be used if the Broker(s) compensation and the party or Broker paying it have already been agreed to in a separate written agreement and is not being modified”



NEW FORM
7/1/24
F259

BROKER COMPENSATION AGREEMENT Exhibit “ _____ ”



2024 Printing

(THIS AGREEMENT SHOULD NOT BE USED IF THE BROKER(S) COMPENSATION AND THE PARTY OR BROKER PAYING IT HAVE ALREADY BEEN AGREED TO IN A SEPARATE WRITTEN AGREEMENT AND IS NOT BEING MODIFIED)

This Broker Compensation Agreement (“Compensation Agreement”) is made this _____ day of _____, 20____ by the undersigned parties in connection with a real estate transaction to purchase and sell real property located at _____, Georgia _____ (“Property”), dated _____ by and between _____ (“Buyer”) and _____ (“Seller”).

WITNESSETH

For and in consideration of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned do hereby agree as follows: **Perhaps should just say "Brokers" as Both Sides are Referenced Below.**

- 1. Compensation Being Offered to Buyer's Broker.** The compensation of the undersigned Broker(s) for professional brokerage services (“Compensation”) provided in the above-referenced transaction is set forth below and shall be paid by the following party or the Broker working with or representing such party:

OOPS!

Compensation of Buyer's Broker:

_____ % of the purchase price;

\$ _____;

(other) _____

Compensation of Seller's Broker:

_____ % of the purchase price;

\$ _____;

(other) _____

The Compensation of Buyer's Broker Shall Be Paid By:

The Compensation of Seller's Broker Shall Be Paid By:

F259 Broker Compensation Agreement Exhibit

WITNESSETH

For and in consideration of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned do hereby agree as follows: **Perhaps should just say "Brokers" as Both Sides are Referenced Below.**

- 1. Compensation Being Offered to Buyer's Broker.** The compensation of the undersigned Broker(s) for professional brokerage services ("Compensation") provided in the above-referenced transaction is set forth below and shall be paid by the following party or the Broker working with or representing such party:

Compensation of Buyer's Broker:

_____ % of the purchase price;
\$ _____;
(other) _____

The Compensation of Buyer's Broker Shall Be Paid By:

If solely Buyer - don't use this form - Buyer Agreement has info
If it's only a co-op then put "Seller's Broker - ABC Realty"
If it's only the Seller then put "Seller"

If it's combination, then spell it out - i.e. x% by Buyer & y% by Seller's Broker

GAR will Eliminate this part below in January 2024

Compensation of Seller's Broker:

_____ % of the purchase price;
\$ _____;
(other) _____

The Compensation of Seller's Broker Shall Be Paid By:

This will be "Seller" but problem is as a Buyer's Agent making an offer, you may not know how much Seller is paying their own Broker BUT you want to write an offer that will be accepted & not require a Seller's Counter Offer with this info - that's why GAR will eliminate 1/1/25

- 2. General.**

F259 Broker Compensation Agreement Exhibit

2. General.

- A. This Compensation Agreement is intended to amend and modify all previous agreements, if any, regarding: 1) the Compensation of the undersigned Broker(s) and 2) the party, parties or Broker responsible for paying such Compensation.
- B. This Compensation Agreement shall be enforceable and binding upon all parties and Brokers signing this Compensation Agreement even if it is not signed by all parties and brokers to the purchase and sale agreement to which it is attached as an exhibit.
- C. This Compensation Agreement shall not be binding upon any Broker or party who does not sign and consent to this Compensation Agreement.
- D. Any licensee signing this Compensation Agreement on behalf of their Broker warrants that they have full authority to sign on behalf of and bind the Broker to this Compensation Agreement.
- E. Once this Compensation Agreement is signed, it cannot be further modified without the express written consent of the Broker(s) whose Compensation is set forth herein and any such modification shall be null and void without the affected Broker's written consent.
- F. The Brokers referenced herein are express beneficiaries of this Compensation Agreement and shall have all remedies available at law or in equity, in the event this Compensation Agreement is breached.
- G. If the Compensation being paid to Buyer's Broker is more than Buyer's Broker is permitted to accept and Buyer does not consent to the additional Compensation being paid, then the offer of Compensation herein shall be reduced to the amount of Compensation Buyer Broker is permitted to accept. - See Notes on Buyer Brokerage & Customer Agreements that relate to this paragraph

SPECIAL STIPULATIONS: The following Special Stipulations are made a part of this Agreement.

NOTE: THESE paragraphs E&F above protects BROKERS more than a Special Stipulation in a contract regarding Seller paying Buyer's Broker because the Agents/Brokers ARE a party to this Exhibit but not to the contract. So if Seller is paying Buyer's Broker directly, this is preferable over a Special Stipulation or being paid from Seller's contribution to Buyer's Closing Costs

Additional Special Stipulations (F246) are attached.

[SIGNATURES ON FOLLOWING PAGE]

F259 Broker Compensation Agreement Exhibit

1 Buyer's Signature

Date

2 Buyer's Signature

Date

Additional Signature Page (F267) is attached.

Buyer Brokerage Firm

Broker Signature (or authorized representative)

Date

1 Seller's Signature

Date

2 Seller's Signature

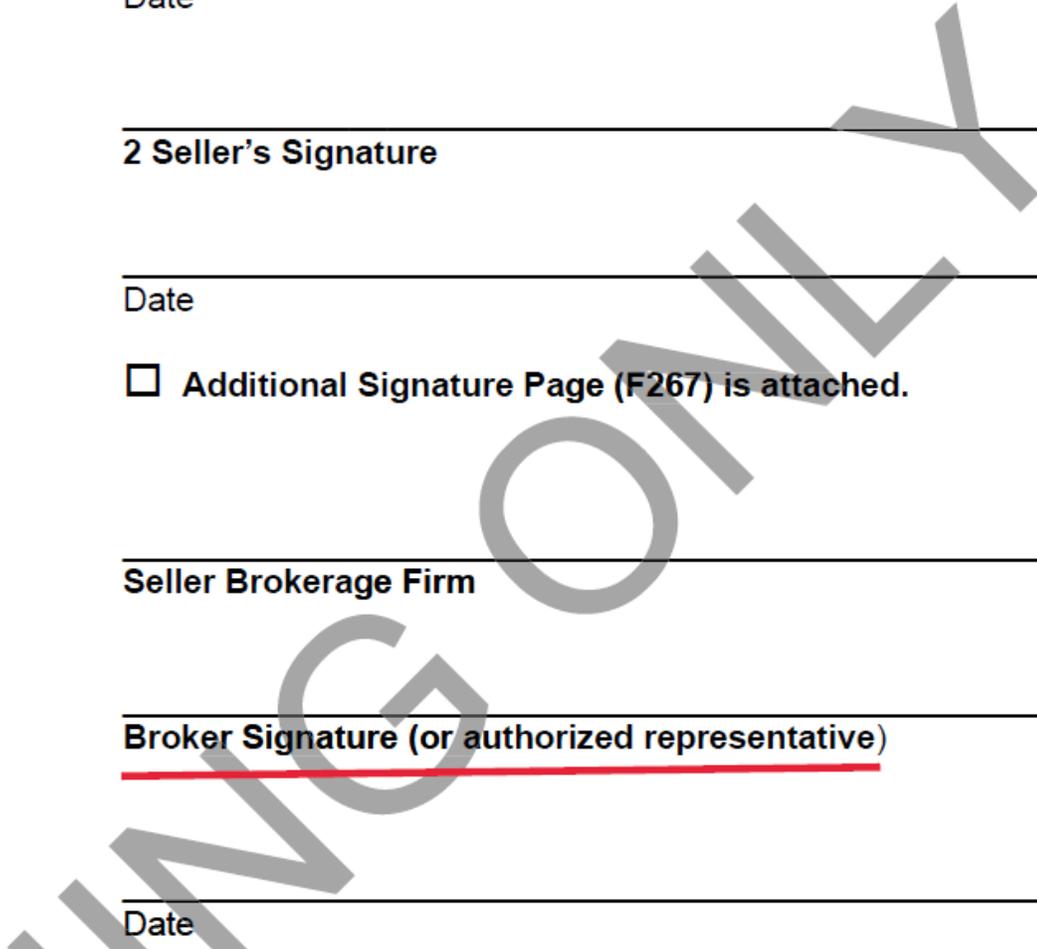
Date

Additional Signature Page (F267) is attached.

Seller Brokerage Firm

Broker Signature (or authorized representative)

Date



F255 Instructions to Closing Attorney (I.T.C.A.)

When to Use This Form:

INSTRUCTIONS TO CLOSING ATTORNEY Revised 7/1/24

"Co-Op" Transaction - If Seller's Broker is paid by Seller & Buyer's Broker being paid by Seller's BROKER
Summary of Broker Compensation from other signed Forms &/or Special Stip in Purchase & Sale
If Brokers are paying Rebate to Buyer or Seller
If Brokers are paying Referral fees to a third party (other Broker, Lead Source, Relo company, etc.)



2024 Printing

RE: Purchase and Sale Agreement between _____ ("Buyer") and
_____ ("Seller") dated _____

for Property located at _____.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Buyer's Broker and Seller's Broker hereby confirm the compensation for professional brokerage services ("Compensation") to which they will be entitled upon the Closing of the above-referenced transaction and direct the Closing Attorney to pay these amounts at Closing from the sales proceeds.

F255 Instructions to Closing Attorney (I.T.C.A.)

("Compensation") to which they will be entitled upon the Closing of the above-referenced transaction and direct the Closing Attorney to pay these amounts at Closing from the sales proceeds.

1. **Compensation Paid by Seller to Seller's Broker.** The Compensation paid by Seller to Seller's Broker in this transaction shall be as set forth below:

_____ % of the purchase price;
\$ _____;
_____ (other)

2. **Compensation Shared by Seller's Broker with Buyer's Broker.** Such Compensation is a portion of the Compensation paid by Seller to Seller's Broker above. The Compensation paid by Seller's Broker to Buyer's Broker in this transaction shall be as set forth below:

_____ % of the purchase price;
\$ _____;
_____ (other)

3. **Compensation Paid by Seller to Buyer's Broker.** The Compensation to be paid by the Seller to Buyer's Broker in this transaction shall be as set forth below.

_____ % of the purchase price;
\$ _____;
_____ (other)

4. **Compensation Paid by Buyer to Buyer's Broker.** The Compensation paid by Buyer to Buyer's Broker in this transaction shall be as set forth below:

_____ % of the purchase price;
\$ _____;
_____ (other)

F255 Instructions to Closing Attorney (I.T.C.A.)

6. Further Directions to Closing Attorney. Fees & Rebates This also includes any Referral Fees being paid

The Seller's Broker and the Buyer's Broker hereby direct the Closing Attorney to disclose on the settlement statement for the above-referenced transaction the following referral fees and rebates they have or will be paid in said transaction.

A. Seller's Broker. Amount of Fees and/or Rebates being paid by Seller's Broker.

- _____ % of the purchase price;
\$ _____;
_____ (other)
- Person or Entity to Whom Fees and/or Rebates are being Paid: _____

B. Buyer's Broker. Amount of Fees and/or Rebates being paid by Buyer's Broker.

- _____ % of the purchase price;
\$ _____;
_____ (other)
- Person or Entity to Whom Fees and/or Rebates are being Paid: _____

SPECIAL STIPULATIONS: The following Special Stipulations, if conflicting with any preceding paragraph or any exhibit or addendum hereto shall control:

F255 Instructions to Closing Attorney (I.T.C.A.)

Additional Special Stipulations (F246) are attached.

Buyer Brokerage Firm

Seller Brokerage Firm

Broker/Affiliated Licensee Signature Date _____

Broker/Affiliated Licensee Signature Date _____

Broker's Phone#

Broker's Phone#

Broker's FAX#

Broker's FAX#

REALTOR® Membership

REALTOR® Membership

 If Seller is paying Buyer's Broker's Compensation referenced herein, Seller hereby signs this Agreement to reflect Seller's consent to payment of Compensation to be made by Seller.

Seller ONLY signs IF Seller is paying BUYER'S Broker directly - would most likely already be agreed upon in writing in Broker Compensation Exhibit or in a Special Stipulation in Purchase & Sale Agreement

Seller's Signature Date _____

Seller's Signature Date _____

Additional Signature Page (F267) is attached.

ADDRESSING COMPENSATION IN A PURCHASE & SALE AGREEMENT (F201 AND OTHERS)



SS 619 BUYER REQUESTS SELLER PAY BUYER'S BROKER'S COMPENSATION (VA LOAN) New Format

Since under the VA Loan program Buyer cannot pay Buyer's Broker a commission, Buyer hereby requests, and Seller hereby agrees to pay Buyer's Broker at Closing the following compensation for professional services. *[Select one below.]*

- \$ _____
- _____ % of the purchase price
- _____ (other)

NOTE: Check with Lender regarding current VA Rules

Nothing herein shall be interpreted as a request to alter, modify or change the commission to be received by Seller's Broker, if any, that Seller may have agreed to pay Seller's Broker in any separate written agreement.

This last sentence keep you from violating Unfair Trade Practices (OCGA §43-40-25b(35))



SS 620 BUYER REQUESTS SELLER PAY BUYER'S BROKER'S COMPENSATION New Format

Buyer hereby requests, and Seller hereby agrees to pay Buyer's Broker at Closing the following compensation for professional services. *[Select one below.]*

- \$ _____
- _____ % of the purchase price
- _____ (other)

Nothing herein shall be interpreted as a request to alter, modify or change the commission to be received by Seller's Broker, if any, that Seller may have agreed to pay Seller's Broker in any separate written agreement.

This last sentence keep you from violating Unfair Trade Practices (OCGA § 43-40-25b(35))

~~SS 621 COMMUNITY ASSOCIATION NOT REQUIRED~~

PURCHASE & SALE AGREEMENT (F201 AND OTHERS)

If you're using the F259 Broker Compensation Agreement, don't forget to check the box to attach it on Page 9

9. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.
- Back-up Agreement Contingency Exhibit (F604) " _____ "
 - Broker Compensation Agreement (F259) " _____ " **NEW Exhibit Referenced**
 - Closing Attorney Acting as Holder of Earnest Money Exhibit (F510) " _____ "
 - Community Association Disclosure Exhibit (F322) " _____ "
 - _____



PURCHASE & SALE AGREEMENT (F201 AND OTHERS)

IMPORTANT PRO TIP!

A3

_____, or any other person, of the land records of the above county.

<p>3 Closing Costs. Seller's Contribution at Closing: \$ _____</p>

Make sure the LENDER will approve the full concession amount

B3

3. Closing Costs.
a. **Seller's Contribution at Closing:** At Closing, Seller shall make the referenced Seller's Monetary Contribution which Buyer may use to pay any cost or expense of Buyer related to this transaction, including without limitation, any compensation obligations of Buyer. Buyer acknowledges that Buyer's mortgage lender(s) may not allow the Seller's Monetary Contribution, or the full amount thereof, to be used for some costs or expenses. In such event, any unused portion of the Seller's Monetary Contribution shall remain the property of the Seller.

RECAP: SELLER'S BROKERAGE AGREEMENT

- Establishes how much Seller is obligated to pay Seller's Broker
- Discloses Seller's permission for Seller's Broker to SHARE part of the commission they receive with a Buyer's Broker (i.e. a "Co-op")
- Discloses if Seller initially intends to pay a Buyer's Broker directly – Seller perhaps may not initially agree to pay a Buyer's broker directly but agree to with any particular transaction – agreement would be made in a different form

RECAP: BUYER'S BROKERAGE AGREEMENT

- Establishes how much Buyer is obligated to pay Seller's Broker
- Establishes MAXIMUM AMOUNT Buyer's broker may receive as compensation (i.e. including bonuses, admin fees, retainer fees, early termination fees, etc.)
- Discloses Buyer's permission for Buyer's Broker to accept compensation from Seller's Broker &/or Seller
- Discloses Buyer's permission for Seller-Side compensation to offset Buyer's financial obligation to Buyer's Broker

REAL ESTATE AGENT COMPENSATION IN A TRANSACTION – WHEN DO YOU USE WHICH FORM?

Seller Brokerage Engagement Agreement - Always

Buyer Brokerage Engagement or Customer Agreement – Always

F258 Pre-Showing Compensation Agreement – To be used as written verification that a Seller or Seller’s Broker will pay compensation to Buyer’s Broker

-- use this form prior to the Showing to give your Buyer a clear and reliable assurance IF a Seller is offering compensation as a concession within the listing. Any offer of compensation communicated prior to going under contract should be reduced to writing with this form.

SS620 – Use this stipulation to request a Seller to pay Buyers Broker’s compensation

F259 Broker Compensation Agreement. If compensation of Buyers Broker (to be paid by Seller) is NOT offered in writing prior to binding contract, use this form to show the breakdown of who is paying broker fees, when Seller agrees to pay in via the PSA.

F255 Instruction to Closing Attorney (ITCA) – Use this form to advise your Closing Attorney of ALL COMPENSATION due to Brokers and how much each party is contributing

***** NOTE:** If the F259 is filled out properly, the ITCA is optional (but preferred by some attys)

HOW DOES THIS ALL WORK IN PRACTICE?

LET'S START WITH WHAT BUYER AGREES TO

NOTE: AMOUNTS ARE FOR ILLUSTRATION ONLY

- **In our scenario: Buyer agrees to pay Buyer's Broker 3 percent for their services**
- **Buyer agrees that Buyer's Broker may receive a MAXIMUM of 4 percent – i.e. up to 1 ADDITIONAL percent paid by someone other than Buyer**
- **Buyer agrees that ANY compensation paid to Buyer's Broker by Seller or Seller's Broker would reduce Buyer's obligation dollar for dollar**



BUYER BROKERAGE REFLECTING OUR EXAMPLE

Buyer expressly consents to Broker acting in any other agency relationship offered by Broker.

4. Compensation for Professional Services of Broker ("Compensation").

FOR EXAMPLE.....

a. **Generally:** Compensation to Broker(s) is negotiable and is not set by state law. However, this does not obligate individual licensees and brokerage firms to necessarily negotiate their Compensation.

b. **Compensation to Buyer's Broker:** Buyer agrees to pay Buyer's Broker the Compensation set forth below at the closing of any Contract to Purchase (as that term is hereinafter defined)

3 _____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

NOTE: AMOUNTS ARE FOR ILLUSTRATION ONLY

c. **Optional Compensation from Seller or Seller's Broker to Buyer's Broker:** Buyer hereby approves or disapproves Buyer's Broker receiving Compensation from Seller or Seller's Broker. Nothing herein should be interpreted as a promise by Seller or Seller's Broker to pay or offer to pay Compensation to Buyer's Broker herein.

If Buyer approves such Compensation being paid by the Seller and/or Seller's Broker to the Buyer's Broker, the maximum amount the Buyer's Broker may receive from Seller and/or Seller's Broker is as follows:

4 _____ percent (_____ %) of the sales price;

\$ _____;

(other) _____.

d. **Possible Reduction in Buyer's Compensation Obligation to Buyer's Broker:** Any Compensation Buyer's Broker receives from Seller or Seller's Broker shall: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

reduce the Compensation Buyer shall pay to Buyer's Broker dollar for dollar;

not reduce the Compensation Buyer shall pay to Buyer's Broker;

special exceptions to the Compensation paid from Buyer to Buyer's Broker, as set forth below:

BUYER'S BROKER IS NOW READY TO SHOW BUYER PROPERTIES...

- **Based on any Buyer's Broker's Compensation coming from Seller's Side, various forms will be used**

- **Several Scenarios follow**

- **NOTE: Remember to have Buyer's Lender verify Buyer has additional cash on hand to meet their financial obligation to your Broker that they agreed to – most Lenders are not able to finance this into the Buyer's Loan – but CHECK WITH LENDER as New Programs develop all the time!**

HOUSE #1 – SELLER’S BROKER WILL CO-OP 3 PERCENT

- **House #1 – Buyer’s Broker learns from Seller’s Broker that Seller’s Broker will compensate Buyer’s Broker (in a “co-op” arrangement) 3 percent**
- **Buyer’s Broker says to Buyer, “At Closing, you agreed to pay my Broker 3 percent; for House #1, Seller’s Broker will pay my Broker 3 percent so at closing, you will have to pay my Broker 0 percent ... do you want to see this house?”**
- **Buyer says Yes!**

HOUSE #1 CONT'D.

- **Buyer's Agent emailed Seller's Agent asking about availability**
- **Seller's agent emailed back it's available & there is a co-op compensation of 3 percent**
- **Buyer want to see the house**
- **Buyer's Agent fills out "Pre-Showing Compensation Agreement" & emails to Listing Agent at same time that a showing appointment is scheduled**
- **Listing agent signs this form immediately & emails it back**

House #1 – Pre-Showing Compensation Agreement

PRE-SHOWING COMPENSATION AGREEMENT

AMOUNTS ARE FOR
ILLUSTRATION PURPOSES
ONLY

DATE: 8/1/24



2024 Printing

RE: Property located at 123 Lucky Street

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller and/or Seller's Broker, depending on who is paying the compensation to the Buyer's Broker, hereby confirms to Buyer's Broker the compensation for professional brokerage services ("Compensation") to which the Seller's Broker shall be entitled in the event the buyer with whom Buyer's Broker is working with or representing (and who will be identified in through Buyer's Broker) contracts to purchase and closes on the Property. Such Compensation shall be paid to Buyer's Broker as identified below at the Closing of such transaction. The Agreement is contingent upon the offer to purchase the Property by Buyer's Broker working with or representing the Buyer being delivered to Seller's Broker within 14 days of the date of Compensation shall expire if no offer to purchase the property is made within this time frame and the Agreement is not otherwise extended by agreement of the Buyer's Broker and the party or Broker paying the Compensation.

1. Compensation Being Offered to Buyer's Broker.

A. The Compensation being offered to Buyer's Broker shall be paid to Buyer's Broker at the closing of the transaction as follows: [Select one. The boxes not checked shall not be a part of this Agreement.]

- 3 % of the purchase price;
- \$ _____
- _____

B. The above-referenced Compensation shall be paid by: [Select one. The boxes not checked shall not be a part of this Agreement.]

- Seller (in addition to the Compensation Seller is paying to Seller's Broker)
- Seller's Broker (out of the Compensation Seller is paying to Seller's Broker)
- Seller and Seller's Broker as set forth in the "other" section above.

SIGNED

Buyer Broker

Buyer Broker's (or authorized representative's) Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

SIGNED

Seller Broker

Seller Broker's (or authorized representative's) Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

If Seller is paying Buyer's Broker Compensation referenced herein, Seller hereby signs this Agreement to confirm Seller's agreement to pay the Compensation to be made by Seller. SELLER DOES NOT NEED TO SIGN THIS AGREEMENT IF ALL COMPENSATION TO BE PAID HEREIN TO BUYER'S BROKER IS BEING PAID BY SELLER'S BROKER.

IN SCENARIO #1, Seller does NOT need to sign because Buyer's Broker compensation is ONLY coming from Seller's BROKER

Seller's Signature

Date

HOUSE #1 CONT'D.

- **Buyer writes offer & Seller accepts. Binding Agreement Date 8/2/24.**
- **Buyer & Seller's Agents would also complete & sign F255 Instructions to Closing Attorney**
- **- because Closing Attorney needs to know how much Compensation Seller is paying Seller's Broker & to make sure proper compensation amounts are on final Closing Settlement Statement**

HOUSE #1 – SAMPLE INSTRUCTIONS TO CLOSING ATTORNEY

INSTRUCTIONS TO CLOSING ATTORNEY

AMOUNTS ARE FOR
ILLUSTRATIVE PURPOSES ONLY

Helvetica

10



2024 Printing

RE: Purchase and Sale Agreement between _____ (“Buyer”) and
_____ (“Seller”) dated 8/1/24

for Property located at 123 Lucky Street

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration acknowledged, the undersigned Buyer’s Broker and Seller’s Broker hereby confirm the (“Compensation”) to which they will be entitled upon the Closing of the above-reference these amounts at Closing from the sales proceeds.

Additional Special Stipulations (F246) are attached.

Signed

Signed

Buyer Brokerage Firm

Seller Brokerage Firm

Broker/Affiliated Licensee Signature _____ Date _____

Broker/Affiliated Licensee Signature _____ Date _____

Broker’s Phone# _____

Broker’s Phone# _____

Broker’s FAX# _____

Broker’s FAX# _____

REALTOR® Membership _____

REALTOR® Membership _____

1. **Compensation Paid by Seller to Seller’s Broker.** The Compensation paid by Seller forth below:

6

% of the purchase price;

\$ _____

2. **Compensation Shared by Seller’s Broker with Buyer’s Broker.** Such Compensation Seller’s Broker above. The Compensation paid by Seller’s Broker to Buyer’s Broker

3

% of the purchase price;

\$ _____

If Seller is paying Buyer’s Broker’s Compensation referenced herein, Seller hereby signs this Agreement to reflect Seller’s consent to payment of Compensation to be made by Seller.

Seller does NOT sign because Seller is ONLY compensating THEIR Broker & NOT the Buyer’s Broker

Seller’s Signature _____

Date _____

HOUSE #2 – SELLER’S BROKER WILL CO-OP 2 PERCENT

- **House #2 – Buyer’s Broker learns from Seller’s Broker that Seller’s Broker will compensate Buyer’s Broker (in a “co-op” arrangement) 2 percent**
- **Buyer’s Broker says to Buyer, “At Closing, you agreed to pay my Broker 3 percent; for House #2, Seller’s Broker will pay my Broker 2 percent so at closing, you will have to pay my Broker 1 percent ... do you want to see this house?”**
- **Buyer says Yes!**

HOUSE #2 CONT'D.

- ▶ Buyer's Agent emailed Seller's Agent asking about availability
- ▶ Seller's agent emailed back it's available & there is a co-op compensation of 2 percent
- ▶ Buyer want to see the house
- ▶ Buyer's Agent fills out "Pre-Showing Compensation Agreement" & emails to Listing Agent at same time that a showing appointment is scheduled
- ▶ Listing agent signs this form immediately & emails is back

House #2 – Pre-Showing Compensation Agreement

PRE-SHOWING COMPENSATION AGREEMENT

AMOUNTS ARE FOR
ILLUSTRATION PURPOSES
ONLY

DATE: 8/1/24



2024 Printing

RE: Property located at 456 Fortune Ln

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller and/or Seller's Broker, depending on who is paying the compensation, confirms to Buyer's Broker the compensation for professional brokerage services ("Compensation") to be paid to Buyer's Broker in the event the buyer with whom Buyer's Broker is working with or representing (and who will be identified through Buyer's Broker) contracts to purchase and closes on the Property. Such Compensation shall be identified below at the Closing of such transaction. The Agreement is contingent upon the offer to purchase by Buyer's Broker working with or representing the Buyer being delivered to Seller's Broker within 14 days of the date of Compensation shall expire if no offer to purchase the property is made within this time frame and this Agreement is not otherwise extended by agreement of the Buyer's Broker and the party or Broker party to the Agreement.

1. Compensation Being Offered to Buyer's Broker.

A. The Compensation being offered to Buyer's Broker shall be paid to Buyer's Broker at the closing as follows: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

- 2 % of the purchase price,
- \$ _____
- _____

B. The above-referenced Compensation shall be paid by: *[Select one. The boxes not checked shall not be a part of this Agreement.]*

- Seller (in addition to the Compensation Seller is paying to Seller's Broker)
- Seller's Broker (out of the Compensation Seller is paying to Seller's Broker)
- Seller and Seller's Broker as set forth in the "other" section above.

SIGNED

Buyer Broker

Buyer Broker's (or authorized representative's) Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

Seller's Signature

Date

SIGNED

Seller Broker

Seller Broker's (or authorized representative's) Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

If Seller is paying Buyer's Broker Compensation referenced herein, Seller hereby signs this Agreement to confirm Seller's agreement to pay the Compensation to be made by Seller. SELLER DOES NOT NEED TO SIGN THIS AGREEMENT IF ALL COMPENSATION TO BE PAID HEREIN TO BUYER'S BROKER IS BEING PAID BY SELLER'S BROKER.

IN SCENARIO #1, Seller does NOT need to sign because Buyer's Broker compensation is ONLY coming from Seller's BROKER

HOUSE #2 CONT'D.

- ▶ **Buyer writes offer & Seller accepts. Binding Agreement Date 8/2/24.**
- ▶ **Buyer & Seller's Agents would also complete & sign Instructions to Closing Attorney**

HOUSE #2 – SAMPLE INSTRUCTIONS TO CLOSING ATTORNEY

AMOUNTS ARE FOR
ILLUSTRATIVE PURPOSES ONLY

INSTRUCTIONS TO CLOSING ATTORNEY



2024 Printing

RE: Purchase and Sale Agreement between _____ ("Buyer") and
_____ ("Seller") dated 8/1/24
for Property located at 456 Fortune Ln

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Buyer's Broker and Seller's Broker hereby confirm the compensation for professional brokerage services ("Compensation") to which they will be entitled upon the Closing of the above-referenced transaction and direct the Closing Attorney to pay these amounts at Closing from the sales proceeds.

1. **Compensation Paid by Seller to Seller's Broker.** The
forth below:

4

\$ _____

2. **Compensation Shared by Seller's Broker with Buyer's**
Seller's Broker above. The Compensation paid by Seller's

2

\$ _____

3. **Compensation Paid by Seller to Buyer's Broker.** The
be as set forth below:

\$ _____

4. **Compensation Paid by Buyer to Buyer's Broker.** The
forth below:

1

\$ _____

Additional Special Stipulations (F246) are attached.

Signed _____

Buyer Brokerage Firm

Signed _____

Seller Brokerage Firm

Broker/Affiliated Licensee Signature _____ Date _____

Broker's Phone# _____

Broker's FAX# _____

REALTOR® Membership _____

Broker/Affiliated Licensee Signature _____ Date _____

Broker's Phone# _____

Broker's FAX# _____

REALTOR® Membership _____

If Seller is paying Buyer's Broker's Compensation referenced herein, Seller hereby signs this Agreement to reflect Seller's consent to payment of Compensation to be made by Seller.

Seller does NOT sign because Seller is ONLY compensating THEIR Broker & NOT the Buyer's Broker

Seller's Signature _____ Date _____

HOUSE #3 – SELLER WILL TO PAY 3 PERCENT TO BUYERS BROKER

- **House #3 – Buyer’s Broker learns from Seller’s Broker that Seller will compensate Buyer’s Broker 3 percent**
- **Buyer’s Broker says to Buyer, “At Closing, you agreed to pay my Broker 3 percent; for House #3, Seller will pay my Broker 3 percent so at closing, you will have to pay my Broker \$0 ... do you want to see this house?”**
- **Buyer says Yes!**

HOUSE #3 CONT'D.

- ▶ Buyer's Agent emailed Seller's Agent asking about availability
- ▶ Seller's agent emailed back it's available & there is compensation from Seller offered for Buyers Broker of 3 percent
- ▶ Buyer want to see the house
- ▶ Buyer's Agent fills out "Pre-Showing Compensation Agreement" & emails to Listing Agent at same time that a showing appointment is scheduled
- ▶ Listing agent never gets Seller to sign the Pre-Showing Compensation Agreement
- ▶ BUT THIS IS A HOT PROPERTY! You go show the house anyway

HOUSE #3 CONT'D.

- ▶ **Buyer writes offer & wants to confirm that Seller WILL pay the Buyer's Broker the 3 percent that was communicated verbally/by email**
- ▶ **Therefore Buyer will include a special stip and the "Broker Compensation Agreement Exhibit" in the Offer**

HOUSE #3 – PSA SPECIAL STIPULATION

SS 620

SPECIAL STIPULATIONS: The following Special Stipulations are made a part of this Agreement.

Buyer hereby requests, and Seller hereby agrees to pay Buyer's Broker at Closing the following compensation for professional services. [Select one below.]

\$ _____

3 % of the purchase price

_____ (other)

Nothing herein shall be interpreted as a request to alter, modify or change the commission to be received by Seller's Broker, if any, that Seller may have agreed to pay Seller's Broker in any separate written agreement

HOUSE #3 – BROKER COMPENSATION AGREEMENT EXHIBIT

BROKER COMPENSATION AGREEMENT

Exhibit “ C ”



AMOUNTS ARE FOR ILLUSTRATIVE PURPOSES ONLY

2024 Printing

(THIS AGREEMENT SHOULD NOT BE USED IF THE BROKER(S) COMPENSATION AND THE PARTY OR BROKER PAYING IT HAVE ALREADY BEEN AGREED TO IN A SEPARATE WRITTEN AGREEMENT AND IS NOT BEING MODIFIED)

NOTE: No Other Form has been signed regarding any party on Seller's Side compensating Buyer's Broker

This Broker Compensation Agreement (“Compensation Agreement”) is made this 1st day of August, 20 24 by the undersigned parties in connection with a real estate transaction to purchase and sell real property located at 10 Blessing Blvd., Georgia _____ (“Property”), dated 8/1/24 by and between Name of Buyer (“Buyer”) and Name of Seller (“Seller”).

WITNESSETH

For and in consideration of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned do hereby agree as follows:

1. Compensation Being Offered to Buyer’s Broker. The compensation of the undersigned Broker(s) for professional brokerage services (“Compensation”) provided in the above-referenced transaction is set forth below and shall be paid by the following party or the Broker working with or representing such party:

Compensation of Buyer’s Broker:
3 % of the purchase price;
\$ _____;
(other) ..

The Compensation of Buyer’s Broker Shall Be Paid By:
Seller

Compensation of Seller’s Broker:
.. % of the purchase price;
\$ _____;
(other) _____

The Compensation of Seller’s Broker Shall Be Paid By:
From Seller

HOUSE #3 – BROKER COMPENSATION AGREEMENT EXHIBIT

Note: This is an Exhibit so need Buyer & Seller Signatures

Signed

1 Buyer's Signature

Date

2 Buyer's Signature

Date

Additional Signature Page (F267) is attached.

BROKERS Sign because this serves as Agreement for the Co-op Fee between Brokers

Buyer Brokerage Firm

Signed

Broker Signature (or authorized representative)

Signed

1 Seller's Signature

Date

2 Seller's Signature

Date

Additional Signature Page (F267) is attached.

Seller Brokerage Firm

Signed

Broker Signature (or authorized representative)

HOUSE #3 CONT'D.

- ▶ **If the F259 is filled out completely and properly, the parties technically would not need to execute Instructions to Closing Attorney -**
- ▶ **However remember that F259 is supposedly removing the showing of “Seller Compensation to Seller’s Broker” in January, so how will the closing attorney know what should be paid to Seller’s Broker?**
- ▶ **We Like when you fill out the ITCA because Closing Attorneys are familiar with that form -- to make sure proper compensation amounts are on final Closing Settlement Statement**

HOUSE #3 – INSTRUCTIONS TO CLOSING ATTORNEY

AMOUNTS ARE FOR
ILLUSTRATIVE PURPOSES ONLY

INSTRUCTIONS TO CLOSING ATTORNEY



2024 Printing

RE: Purchase and Sale Agreement between _____ ("Buyer") and
_____ ("Seller") dated 8/1/24

for Property located at 10 Blessing Blvd.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Buyer's Broker and Seller's Broker hereby confirm the compensation for professional brokerage services ("Compensation") to which they will be entitled upon the Closing of the above-referenced transaction and direct the Closing Attorney to pay these amounts at Closing from the sales proceeds.

1. **Compensation Paid by Seller to Seller's Broker.** The Compensation paid by Seller to Seller's Broker in this transaction shall be as set forth below

3 % of the purchase price;
\$ _____;
_____ (other)

2. **Compensation Shared by Seller's Broker with Buyer's Broker.** Such Compensation is a portion of the Compensation paid by Seller to Seller's Broker above. The Compensation paid by Seller's Broker to Buyer's Broker in this transaction shall be as set forth below:

_____ % of the purchase price;
\$ _____;
_____ (other)

3. **Compensation Paid by Seller to Buyer's Broker.** The Compensation to be paid by the Seller to Buyer's Broker in this transaction shall be as set forth below:

3 % of the purchase price;
\$ _____;
_____ (other)

4. **Compensation Paid by Buyer to Buyer's Broker.** The Compensation paid by Buyer to Buyer's Broker in this transaction shall be as set forth below:

_____ % of the purchase price;
\$ _____;
_____ (other)

HOUSE #3 – INSTRUCTIONS TO CLOSING ATTORNEY

Additional Special Stipulations (F246) are attached.

Signed

Buyer Brokerage Firm

Broker/Affiliated Licensee Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

Signed

Seller Brokerage Firm

Broker/Affiliated Licensee Signature

Date

Broker's Phone#

Broker's FAX#

REALTOR® Membership

If Seller is paying Buyer's Broker's Compensation referenced herein, Seller hereby signs this Agreement to reflect Seller's consent to payment of Compensation to be made by Seller.

Seller DOES sign because Seller is compensating THEIR Broker AND the Buyer's Broker

Signed

Seller's Signature

Date

MANY OTHER SCENARIOS

- But we can't cover them all!
- Refer to your Broker with any specific situations / scenarios
- Check with your Broker on any new or revised Policies regarding these issues
- Stay informed on any changes SPECIFIC to GEORGIA from your Broker & from the Georgia Association of REALTORS® (GAR)

BEYOND “COMPENSATION”: 3 OTHER SIGNIFICANT 2024 MID-YEAR CHANGES AND ADDITIONS TO THE GAR FORMS

“Disclosure Regarding Sale of Certain Property”

Changes to Buyer Remedies upon Seller Default

Changes to the Lead-Based Paint Exhibit

F101 and F110 Seller & Buyer Brokerage Engagement Agreements

6. Miscellaneous.

NEW Paragraph **f. Disclaimer Regarding the Sale of Certain Property:** Seller acknowledges that O.C.G.A. § 2-1-7 prohibits certain nonresident aliens, foreign persons, foreign companies and U.S. companies owned by any of the above from buying or possessing certain land within a ten (10) mile radius of any military base, military installation, or military airport. Seller agrees to carefully read the entirety of the above referenced Code section before contracting to sell such land. Seller should consult with legal counsel to fully understand the law. If Seller has not submitted written questions to Broker regarding the law to Broker prior to contracting to sell prohibited property, Seller acknowledges that Seller fully understands the limitations and requirements of the law, and Broker shall have no

NEW **g. Disclaimer Regarding the Purchase of Certain Property:** Buyer acknowledges that O.C.G.A. § 2-1-7 prohibits certain nonresident aliens, foreign persons, foreign companies and U.S. companies owned by any of the above from buying or possessing certain land within a ten (10) mile radius of any military base, military installation, or military airport. If Buyer fits into one of the above categories, Buyer agrees to carefully read the entirety of the above referenced Code section before contracting to purchase such land. Buyer should consult with legal counsel to fully understand the law. If Buyer has not submitted written questions to Broker regarding the law to Broker prior to contracting to purchase prohibited property, Buyer acknowledges that Buyer fully understands the limitations and requirements of the law, and Broker shall have no responsibility for further doing the same. In such event, Buyer shall indemnify and hold Broker harmless from any and all claims, causes of action, suits and damages arising out of or relating to Buyer's failure to comply with the law. Violating the law can subject Buyer to civil and criminal penalties. The law also requires certain sellers and others to divest themselves of such property within certain time periods if they are now no longer legally able to purchase such property.

F101 and F110 Seller & Buyer Brokerage Engagement Agreements

f. **Disclaimer Regarding the Sale of Certain Property:** Seller acknowledges that O.C.G.A. § 2-1-7 prohibits certain nonresident aliens, foreign persons, foreign companies and U.S. companies owned by any of the above from buying or possessing certain land within a ten (10) mile radius of any military base, military installation, or military airport. Seller agrees to carefully read the entirety of the above referenced Code section before contracting to sell such land. Seller should consult with legal counsel to fully understand the law. If Seller has not submitted written questions to Broker regarding the law to Broker prior to contracting to sell prohibited property, Seller acknowledges that Seller fully understands the limitations and requirements of the law, and Broker shall have no

NEW
Paragraph

So here is what all of this means generally:

If a person is (1) a non-resident alien (meaning they have no documents giving them the legal right to reside permanently within the United States) **or** (2) a person or entity is working on behalf of a government that the US deems to be a “foreign adversary”, then **such a person or entity may not own (1) agricultural land and may also not own (2) any land within a 10-mile radius of a U.S. military installation.**

Our “foreign adversaries” at this time are **China, Venezuela, Cuba, North Korea, Iran and Russia.** (15 C.F.R. Section 7.4)

(10%) of the shares or interests therein, and any third-party who is acting under the direction or control of any of the above parties.

NEW **g. Disclaimer Regarding the Purchase of Certain Property:** Buyer acknowledges that O.C.G.A. § 2-1-7 prohibits certain nonresident aliens, foreign persons, foreign companies and U.S. companies owned by any of the above from buying or possessing certain land within a ten (10) mile radius of any military base, military installation, or military airport. If Buyer fits into one of the above categories, Buyer agrees to carefully read the entirety of the above referenced Code section before contracting to purchase such land. Buyer should consult with legal counsel to fully understand the law. If Buyer has not submitted written questions to Broker regarding the law to Broker prior to contracting to purchase prohibited property, Buyer acknowledges that Buyer fully understands the limitations and requirements of the law, and Broker shall have no responsibility for further doing the same. In such event, Buyer shall indemnify and hold Broker harmless from any and all claims, causes of action, suits and damages arising out of or relating to Buyer's failure to comply with the law. Violating the law can subject Buyer to civil and criminal penalties. The law also requires certain sellers and others to divest themselves of such property within certain time periods if they are now no longer legally able to purchase such property.

Remember: ANY person buying a residential home they plan on living in is not subject to this act. And non-resident aliens can buy agricultural land if they are not also a “foreign adversary”

and - You can still transact land with people of all nationalities, including Chinese, Venezuelan, Cuban, North Korean, Iranian or Russian descent so long as they are not an “agent of their government” as defined by the Act.

(10%) of the shares or interests therein, and any third-party who is acting under the direction or control of any of the above parties.

NEW g. **Disclaimer Regarding the Purchase of Certain Property:** Buyer acknowledges that O.C.G.A. § 2-1-7 prohibits certain nonresident aliens, foreign persons, foreign companies and U.S. companies owned by any of the above from buying or possessing certain land within a ten (10) mile radius of any military base, military installation, or military airport. If Buyer fits into one of the above categories, Buyer agrees to carefully read the entirety of the above referenced Code section before contracting to purchase such land. Buyer should consult with legal counsel to fully understand the law. If Buyer has not submitted written questions to Broker regarding the law to Broker prior to contracting to purchase prohibited property, Buyer acknowledges that Buyer fully understands the limitations and requirements of the law, and Broker shall have no responsibility for further doing the same. In such event, Buyer shall indemnify and hold Broker harmless from any and all claims, causes of action, suits and damages arising out of or relating to Buyer's failure to comply with the law. Violating the law can subject Buyer to civil and criminal penalties. The law also requires certain sellers and others to divest themselves of such property within certain time periods if they are now no longer legally able to purchase such property.

A person who “intentionally” violates the Act is subject to a fine and they could lose the property they bought. But **this is what the act says about real estate brokers:**

“A broker who is engaged by client who is a prospective buyer or seller of a possessory interest in agricultural land or land within a ten-mile radius of any military base, military installation, or military airport shall timely disclose to said client the requirements and limitations of this Code section.”

That’s it. **So, by virtue of this new paragraph being in the BBA and SBA, you have done your job. You’re done.** *** If any buyer or seller asks you more questions or if they have concerns about this code section, you are to simply to advise them to “contact legal counsel” and that “you are not licensed or authorized to make determinations for them about whether they fall within that Code Section.”

F201 Purchase and Sale Agreement

C. OTHER TERMS AND CONDITIONS

2.b. Remedies of Buyer

difficult to ascertain. The parties expressly intend for the earnest money to serve as liquidated damages and not as a penalty.

b. Remedies of Buyer: In the event this Agreement fails to close due to the default of Seller, Buyer may either (i) seek the specific performance of this Agreement or (ii) terminate this Agreement upon notice to Seller and Holder, in which case all earnest money deposits and other payments Buyer has paid towards the purchase of the Property shall be returned to Buyer following the procedures set forth elsewhere herein, and Buyer may pursue any other remedy available at law.

c. Rights of Broker: In the event this Agreement is terminated or fails to close due to the default of a party hereto, the defaulting party shall pay as liquidated damages to Broker in this transaction the Compensation the Broker would have received had the transaction closed. For purposes of determining the amount of liquidated damages to be paid by the defaulting party, all written agreements

This is a HUGE change from previous Remedies.

Previous version stated that if Buyer received return of Earnest Money, Buyer accepted that as Buyer's sole remedy for Seller default

Now, Buyer can sue for Specific Performance OR Buyer can sue for damages related to Seller's default. Not limited to just return of Earnest Money.

F316 Disclosure of Lead- Based Paint Exhibit (F918 for Leases)

No Change to the Seller's & Buyer's Disclosures,

But

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS IN PURCHASE AND SALE TRANSACTIONS ("LEAD-BASED PAINT EXHIBIT")
EXHIBIT " _____ "

GeorgiaREALTOR
2024 Printing
Georgia

This Exhibit pertains to that certain Property known as: _____
UNDER FEDERAL LAW, THIS EXHIBIT MUST BE SIGNED BY THE SELLER AND BUYER, AND THE BUYER PROVIDED WITH A COPY OF THE LEAD-BASED PAINT BROCHURE PRIOR TO THE BUYER AND SELLER ENTERING INTO A BINDING AGREEMENT. THIS AGREEMENT MUST BE FILLED OUT FOR ALL HOUSING BUILT PRIOR TO 1978.

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Hazards Lead Warning Statement
Every buyer of any interest in residential property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead paint hazard [initial (i) or (ii) below. The section not initialed shall not be part of this Exhibit]
(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain below):

 Check box if additional pages of explanations are attached and incorporated herein.
(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and Reports available to the Seller [initial (i) or (ii) below. The section not initialed shall not be part of this Exhibit]:
(i) _____ Seller has provided the Buyer with all the available records and reports pertaining to lead-based paint and/or lead based paint hazards in the housing (list document below):

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgment [initial all applicable sections below]:

(c) _____ Buyer has received copies of all information, if any, listed above.
(d) _____ Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*
(e) Buyer has: [initial (i) or (ii) below]:
(i) _____ Received a ten (10) day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards (prior to Buyer being obligated under the Purchase and Sale Agreement); or
(ii) _____ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards (which shall not prevent Buyer from evaluating the Property for lead-based paint hazards during any Due Diligence or Right to Request Repairs Period).

F316 Disclosure of Lead-Based Paint Exhibit (F918 for Leases)

2023

Agent's Acknowledgment (Agent who informed Seller of Seller's Obligations should initial).

(f) _____ Seller's Agent has informed the Seller of the Seller's obligations under 42 U.S.C. § 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

Now, Buyer's Broker must also initial the form if the Buyer's Broker received compensation from the Seller !

2024

Agent's Acknowledgment (Agent who informed Seller of Seller's Obligations should initial).

(f) _____ Seller's Agent has informed the Seller of the Seller's obligations under 42 U.S.C. § 4852(d) and is aware of his/her responsibility to ensure compliance.

(g) _____ Buyer's Agent has informed the Seller of the Seller's obligations under 42 U.S.C. § 4852(d) and is aware of his/her responsibility to ensure compliance. **[only required if Buyer's Agent receives compensation from the Seller.]**

EPA routinely audits Broker files. Fines increased this year from \$16k per violation to \$19,000 per violation

Questions? And... Thank You!



CE Credit Offered Through:
Real Estate Academy of America
GREC School #6915

