
Last Updated: August 12, 2024

*These FAQs explain how the NAR settlement-required MLS rules and broker business practice changes impact Unlock MLS and our marketplace. We are actively updating these changes as new information comes to light and will time stamp all updates as they are made. For an exhaustive list of FAQs related to the settlement and how they impact MLSs, REALTOR® associations, and real estate brokers nationally, visit the [**NAR Facts for REALTORS® website**](#).*

FAQ DIRECTORY

- [**NAR Settlement & Industrywide Implementation**](#)
- [**Impact of NAR Settlement on Finance & Lending**](#)

GENERAL QUESTIONS

1. Why is Unlock MLS making these changes?

NAR requires these MLS rules and broker business practice changes as part of its [**settlement agreement**](#). Unlock MLS must implement and begin enforcing these changes this summer regardless of the outcome of the settlement.

2. What are the MLS rules and business practice changes required as part of the NAR settlement?

The business practice changes required as part of [**NAR's settlement agreement**](#) can be summarized into three primary changes. (See "Unlock MLS-Specific Changes" below for more information.)

1. Unlock MLS must eliminate and prohibit requiring offers of compensation in the MLS between listing brokers and cooperating brokers.
2. Brokers are required to provide compensation disclosures to all prospective clients.
3. Buyers will be required to sign a written agreement outlining how much they will pay their agent for their services before touring a property.

3. When will these required MLS rules and business practice changes take effect locally?

The updated Unlock MLS Rules and Terms of Use will go into effect on **Tuesday, August 13**. At that time:

- The in-MLS field changes (see "Unlock MLS-Specific Changes" below) will be live in Matrix and enforcement of the updated rules will begin.
- Broker business practices and internal policies must be updated and fully in effect.
- Existing contracts must be updated with the necessary addendum(s) to comply with their brokerage's business practices.

Unlock MLS released a final version of the updated MLS Rules and Terms of Use along with updated compliance processes on July 11.

4. What can I do to prepare for the August 13 deadline?

Everyone has a role in this transition. As you move forward, keep an eye out for opportunities to amplify your value proposition and strengthen your client relationships.

- **Brokers:** Your role is to adjust and implement your own business practices and train your agents accordingly.
- **Agents:** Your role is to stay in lockstep with your broker regarding any changes to your firm's business practices as well as which forms to use and when.
- **Team Leads:** Your role is to reinforce your brokerage's business practice changes with your team.
- **Unlock MLS:** Our role is to provide the resources and information for brokers to make those decisions as smoothly as possible.

5. Texas REALTORS® and NAR are communicating a rules implementation date of August 17, not August 13. Which is correct?

NAR has set a rules implementation date of Saturday, August 17. Unlock MLS has chosen to implement these changes ahead of the deadline – **on Tuesday, August 13** – to minimize the disruption to your business and give you the Member Success Team support you need during this transition.

6. Will the required rule changes stand if the NAR settlement agreement is not approved by the courts?

These MLS rules and business practice changes are not tied to the outcome of the NAR settlement agreement. They will take effect in our marketplace regardless of the NAR settlement's outcome.

7. How are ABoR and Unlock MLS helping me through this transition?

We're getting resources to you early and often so that you have as much time as possible to plan, minimize disruption, and get ahead. These resources will be launched throughout the year in our **"Right Here, Right Now" campaign**. All the resources listed below – plus any more we release – are accessible at www.ABoR.com/rightnow and we highly recommend bookmarking this page for quick reference:

- **Optional, proprietary forms** that give brokers more options to address the required changes;
- **Monthly Broker Meetups** with specific opportunities for small and independent brokers;
- **Multiple MLS Power Hours** offering in-depth training on MLS field changes, compliance, and forms;
- **Market Shift Conversations Events** and a **Market Days for Buyer's Agents** specifically geared to helping buyer's agents through this transition;

- **A Buyer's Agent Education Track** offering a core foundation of knowledge and best practices for buyer's agents in this new environment; and
- **Informational toolkits and brandable one-pagers** to help communicate these changes to agents and their clients.

8. How do these changes benefit my business?

Ultimately, this transition will amplify the immense value you provide as an agent. This is a once-in-a-generation opportunity to own your value and gain a competitive edge in the market. There is more attention to the immense value that agents provide – don't miss this opportunity to communicate yours. The industry will come out of this season stronger and all the better from these changes.

UNLOCK MLS-SPECIFIC CHANGES & ENFORCEMENT

9. What specific changes are Unlock MLS required to make as part of NAR's settlement agreement?

NAR's Summary of MLS Policy Changes outlines nine key changes that all MLSs must implement locally (see "Executive Summary" on p.1). Those are:

1. *Eliminate and prohibit any requirement of offers of compensation in the MLS between listing brokers or sellers to buyer brokers or other buyer representatives.*
2. *Retain, and define, "cooperation" for MLS Participation.*
3. *Eliminate and prohibit MLS Participants, Subscribers, and sellers from making any offers of compensation in the MLS to buyer brokers or other buyer representatives.*
4. *Require the MLS to eliminate all broker compensation fields and compensation information in the MLS.*
5. *Require the MLS to not create, facilitate, or support any non-MLS mechanism (including by providing listing information to an internet aggregator's website for such purpose) for Participants, Subscribers, or sellers to make offers of compensation to buyer brokers or other buyer representatives.*
6. *Prohibit the use of MLS data or data feeds to directly or indirectly establish or maintain a platform of offers of compensation from multiple brokers or other buyer representatives. Such use must result with the MLS terminating the Participant's access to any MLS data and data feeds.*
7. *Reinforce that MLS Participants and Subscribers must not, and MLSs must not enable the ability to, filter out or restrict MLS listings that are communicated to customers or clients based on the existence or level of compensation offered to the cooperating broker or the name of a brokerage or agent.*
8. *Require compensation disclosures to sellers, and prospective sellers and buyers.*
9. *Require MLS Participants working with a buyer to enter into a written agreement with the buyer prior to touring a home.*

10. What modifications will take effect in Unlock MLS on August 13?

Below is an exhaustive list of field additions, changes, and removals that will be made in Unlock MLS to comply with the NAR settlement agreement terms.

- **REMOVED:** The following compensation-associated fields will be removed from Unlock MLS listing data, including displays, historical data, and data feeds.
 - Sub Agency Compensation
 - Buyer and Leasing Agent Compensation
 - Bonus to BA or LA Amount
 - Dual Variable Compensation (Y or N)
 - *Residential Lease*: Invoice Submission (Single-Select)
 - *Residential Lease*: Commission Paid (Single-Select)
- **ADDED:** A new field will be added – “Seller Contributions YN” for sales listings and “Owner Contributions YN” for lease listings – in which sellers/lessors can advertise if they’re willing to make monetary concessions to a potential buyer/tenant.
 - Now a simple Y/N field.
 - Optional field.
 - Will syndicate to public websites.
 - More details about the Seller/Owner Contribution offered can be added to the Public and Private Remarks fields if they do not contain any reference to buyer agent compensation.
 - Any Seller/Owner Contribution **may not be** limited to or conditioned on the retention of or payment to a cooperating broker, buyer broker, or other buyer representative.
- **NO CHANGE:** All closing-related fields will remain as is and will not change, including Buyer Closing Costs Paid By Seller (BCCST).
 - BCCST is only intended to capture routine concessions or closing cost contributions from sellers and cannot include agent compensation amount.
 - It's critical for future appraisals that this field NOT include any agent compensation amounts.

11. What will happen to historical compensation data within Unlock MLS?

Effective August 13, all compensation-related data will be removed from Unlock MLS (including data feeds) and will not be accessible to end users.

12. Where can I find a redlined version of the MLS Rules?

A final version of the updated MLS Rules and Terms of Use was released along with updated compliance processes on Thursday, July 11.

13. How will these changes impact the forms I use?

Brokers must review and update their forms as needed to ensure compliance with the required broker business practices. Unlock MLS has released a series of optional, proprietary forms to help brokers navigate this transition. These forms can be found in both TransactionDesk and ZipForms.

- **Buyer/Tenant Representation Agreement (Long Form):** This form includes the necessary protections and transparency offered by a traditional buyer's rep agreement and clearly discloses how much a buyer/renter will pay their agent for their services.
- **Buyer/Tenant Representation Agreement (Short Form):** This form includes all the above elements in a one-page version, providing an easy-to-use form that complies with the new rule of obtaining a written agreement prior to touring a property. This form does not include an intermediary clause.
- **Buyer/Tenant Representation Agreement (Limited Services):** Also known as a touring agreement, this is a tool for agents to negotiate with buyers in lieu of signing a full Buyer/Tenant Representation Agreement. This form has a single-day term and allows agents to list multiple property addresses to be shown as well as list the provision of services in addition to showing the property(ies).
- **Addendum Confirming Broker Compensation (Sale Transaction):** This addendum to sales contracts confirms who will pay each portion of the compensation to be paid to the brokers in the transaction associated with the contract to which it is attached. This form will also serve to inform the title company how to disperse funds and could offer important information about compensation associated with the transaction to appraisers. The addendum can be used upfront when making initial offers or throughout the negotiation by either party. It should be fully signed at the final execution of the sales contract.
- **Addendum Confirming Broker Compensation (Lease Transaction):** This addendum to lease contracts confirms who will pay each portion of the compensation to be paid to the brokers in the transaction associated with the contract to which it is attached.
- **Amendment to Residential Real Estate Listing Agreement (NAR Settlement Compliance):** An amendment intended to be used in conjunction with active listing agreements executed prior to August 13 that includes the required disclosures under the new Unlock MLS rules taking effect August 13. Use of this amendment will bring current agreements into compliance with the new Unlock MLS rules and the requirements of the NAR settlement agreement.
- **Amendment to Real Estate Listing Agreement (Unlock MLS):** An evergreen amendment to be used with Exclusive Right to Sell Agreement(s).
- **Unrepresented Buyer/Tenant Acknowledgement:** An acknowledgement and disclosure form that confirms an unrepresented buyer has been advised of the role and duties of the Listing Broker or Broker Associate in conjunction with a property the buyer/tenant is seeking to tour.

- **Residential Listing Agreement Exclusive Right to Lease:** This agreement is a contract between a landlord and a real estate broker, granting the broker the exclusive right to lease the landlord's property.
- **Residential Listing Agreement Exclusive Right to Sell:** The Exclusive Right to Sell Agreement is a binding contract between a property seller and a real estate broker. It grants the broker the exclusive right to market and sell the property.

14. Where can I find these forms?

Unlock MLS forms can be downloaded at ABOR.com/RightNow and are also available within TransactionDesk and ZipForms.

15. Can I advertise offers of compensation for my firm's listings on our company website?

Yes – The Listing Detail URL field is intended to provide more information about a listing in the MLS. The target webpage must not, however, provide information predominantly related to any compensation the seller or listing broker is offering to potential cooperating brokers. The webpage should be a traditional property detail page with photos, price, bedrooms, etc.. You can add offers of compensation as an additional data element, but it cannot be the main objective of the webpage.

16. Q: Can I add comments on seller contributions to the Private and Public Remark fields in the MLS?

Yes. Remarks related to the transaction such as seller contributions, cash back at closing, upgrade incentives, upgrade allowances, repair allowances, builder options, and similar information are permitted in both Private and Public Remarks, but any seller contribution/buyer incentive offered cannot be limited to or conditioned on the retention of or payment to a cooperating broker, buyer broker, or other buyer representative. Remarks cannot contain any offer of compensation to other Participants.

17. How will Unlock MLS enforce these new changes?

Beginning August 13, infractions of compensation-related rules changes will be considered a **Category 4 violation**. Subscribers will receive up to two (2) written warnings that must be resolved within two (2) business days. Failure to resolve violations or a third violation will result in escalating penalties which include a mandatory hearing with your broker and monetary fines.

18. Will Unlock MLS be required to get a copy of buyer written agreements?

Upon receipt of a complaint, the MLS Compliance Team will request a copy of a written agreement (such as a Buyer's Representation Agreement) outlining terms of buyer representation and agreed-upon compensation. If no agreement exists, then a written violation will be issued as a Category 4 violation.

19. What do I do if an agent is working with a buyer/tenant without a buyer's representation agreement in place?

Potential Unlock MLS Rules violations can be sent to the MLS Compliance Team at support@abor.com. Reported violations must contain sufficient detail for staff to investigate and address the complaint.

20. How do these changes impact other Unlock MLS rules that are in effect?

All other MLS rules not amended are in effect. Unlock MLS has removed any compensation-related fields and applicable rules associated with the display of compensation within the MLS.

EXISTING CLIENTS & TRANSACTIONS

21. Will the updated MLS rules apply to existing listing and buyer's representation agreements in effect on August 13?

Yes. Agents may need to sign addendums or enter into new listing agreements and buyer's representation agreements that contain the required disclosures outlined in the Unlock MLS Rules and Terms of Use.

22. If I've already been showing a client properties without a buyer's representation agreements, do I still need to get one to continue working with them or showing them properties?

Yes. A written agreement must be signed to work with a buyer and tour homes. Unlock MLS has released optional one-day, one-page, and multi-page buyer's representation agreement forms for use if desired. Please consult your broker on which forms you should be using in your business.

23. What happens with existing listing agreements that include offers of compensation on Aug 13th?

If the listing agreement instructs the listing broker to make an offer of compensation without reference to the MLS and otherwise meets the requirements of the Unlock MLS Rules, then the listing agreement might not need to be changed, as the listing broker can comply with that instruction without violating the MLS policy change.

If the listing agreement specifies that offers of compensation will be made "on the MLS," then the listing broker should work with the seller to amend the listing agreement by Aug 13, to make it clear the listing broker will not make an offer of compensation on the MLS.

24. Do I need to update my listings in the MLS that are on market when the rule changes go into effect?

Yes, a new field – Seller Contributions YN – will be available beginning August 13. You should consult your seller client(s) on this field's use to communicate to buyers/tenants any financial incentives.

25. Should I update any of my current listings in the MLS before the August 13 implementation date?

No, no field changes will be implemented prior to August 13th.

LISTING AGENTS

26. How will offers of compensation be communicated if brokers can't use the MLS?

Offers of compensation could continue to be an option consumers can pursue off-MLS through negotiation and consultation with real estate professionals. (citation: NAR FAQ #34)

27. As a listing agent, do I need a written agreement with a buyer to show my seller's property?

No, you can show your seller's property to prospective buyers without a written agreement because you are not working with the buyer as a client.

28. Can I host an open house without a written agreement with prospective buyers who attend?

Yes, an open house is not working with a client to tour properties; therefore, agents with the listing firm or other cooperating agents can host an open house.

BUYER'S AGENTS

29. What must a written buyer or touring agreement include to be compliant?

The written agreement must comply with the following provisions:

- To the extent that the Participant will receive compensation from any source under the agreement, the agreement must specify and conspicuously disclose the amount or rate of compensation the Participant will receive or how this amount will be determined.
- Any amount of compensation reflected must be objectively ascertainable and may not be open-ended (e.g., "buyer broker compensation shall be whatever amount the seller is offering to the buyer" is considered open-ended).
- Such a Participant may not receive compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer, unless the Participant is the listing broker.

30. Is a written agreement required for sight unseen or virtual tours?

If you are working with any buyer and/or conducting virtual tours, then you must have a signed written agreement with the buyer that meets the requirements of the NAR-mandated changes.

31. When do I need to sign a buyer's representation agreement with my clients?

You must secure a written agreement prior to conducting any services for a buyer, including showing or touring a property. Before working with a buyer client, consult your broker on other policies the firm may impose for written agreements.

32. Does this mean buyer brokers may have to work for free?

No. We have long believed that it is in the interest of the sellers, buyers, and their brokers to make offers of compensation—but using the MLS to communicate offers of compensation will no longer be an option. The types of compensation available for buyer brokers would continue to take multiple forms, including but not limited to:

- Fixed-fee commission paid directly by consumers
- Concession from the seller
- Portion of the listing broker's compensation
- Compensation would continue to be negotiable and should always be negotiated between agents and the consumers they represent
(citation: NAR FAQ #29)

33. How do these changes impact mortgage financing and lending?

Please refer to NAR's [**Impact of NAR Settlement on Finance & Lending**](#) for specific FAQs on the impact of these changes on mortgage lending, including FHA and VA loans.

NAR SETTLEMENT-SPECIFIC QUESTIONS

*First, we recommend you review NAR's Settlement FAQs at [**facts.realtor**](#). Questions #28-84 are particularly relevant to our marketplace.*

34. When will the NAR settlement be finalized and approved?

The hearing for final approval is scheduled for November 26; however, Unlock MLS is required to implement these changes by Aug 17th.



**DOWNLOAD A DIGITAL VERSION
OF THESE FAQs + ACCESS THE
LINKS BY SCANNING THE QR OR
GOING TO [ABOR.COM/RIGHTNOW](https://abor.com/rightnow)**