

SELLER Q&A

Q: Am I required to make an offer of compensation to the buyer's agent?

A: No. Buyer compensation is not required by law, local MLS requirement, or company policy. All agent compensation is fully negotiable.

Q: Will buyer agents refuse to show my home to buyers if I do not offer compensation?

A: No, but the buyers themselves could decide that the additional costs associated with your home make it less attractive or even unaffordable and therefore choose to look at other properties where there is an offer of compensation.

Q: Is buyer agency compensation illegal?

A: No. It is perfectly legal for sellers to offer to compensate buyer's agents. The point is it is completely your choice and there are sound reasons for doing so.

Q: I saw a story about a legal case where real estate companies were sued for illegally requiring buyer agency compensation.

A: While it is complicated, and I cannot provide legal advice, that suit dealt with some MLS rules that required sellers to make an offer of compensation to a buyer's agent to list the property on the MLS. You are not required to offer compensation to a buyer's agent to list your home. You can choose to do so or not. As I have said, there are benefits to you, as a seller, to doing so, but it is not required.

Q: Is it possible that I will be asked to compensate the buyer's agent when they submit a purchase offer to buy my home?

A: That is possible. If no offer of compensation is made with the listing, the buyer might ask that you agree to pay his or her agent as part of their offer on your house. The thing you must consider is whether certain potential buyers might not reach out to you because they find a different home more attractive because it offers to pay buyer compensation from the outset.



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