



REAL ESTATE COMPENSATION GUIDELINES

As of August 1, 2024, there are new legal guidelines which govern how Realtors® are compensated. These guidelines apply to residential sales, as well as rentals.

HOW DOES THIS AFFECT ME?

According to the legislation, **Buyers and tenants are now required to sign a mandatory Buyer Representation Agreement** with their real estate agent **before** starting the homebuying process. Your Buyer Agent will review this document with you and explain it. **Your Buyer's Agent is not permitted to show you any properties until this agreement is signed.**

WHAT ARE MY OPTIONS?

In order to be represented by a Buyer Agent, you are required to complete the Buyer Representation Agreement with your Realtor®. **ESCAPE CLAUSE:** Please refer to Section 4 on the first page which states that this Agreement **can be terminated in one day** with a simple termination notice from either party. This should be a worry-free document that allows you to give the Realtor® a try and if it doesn't work out, you may choose another Realtor® very easily.

KP Edgestone Realty only uses Exclusive Buyer Representation Agreements. It is company policy to work exclusively with a buyer. Should the buyer wish to work with multiple agents, the Exclusive Buyer Representation Agreement will be terminated by the agent.

DO I NEED TO COMPENSATE MY REALTOR®? AND HOW MUCH?

Many sellers are still choosing to continue with "traditional" practices of offering compensation to a Buyer's Agent. As this information is no longer published on the Multiple Listing Service (MLS) your Buyer's Agent must inquire if compensation is offered for each property you're interested in. If it is, and it's acceptable to the Buyer's Agent, you do not need to compensate your Agent.

However, if the Seller is not offering compensation, you must agree (in advance) to compensate your Buyer's Agent. This is negotiable, and the Buyer's Agent will initiate the conversation with you about their commission, and then put it in writing in the Buyer Representation Agreement.

KP Edgestone Realty's company policy is that compensation should be a percentage of the sale price (vs. flat fee), but again, this is negotiable. We do not require retainer fees, and there are no fees for individual tasks. The commission is only paid upon successfully closing the transaction.

WHAT ARE THE DOCUMENTS THAT I AM NOW REQUIRED TO SIGN?

In order to retain the services of your Buyer's Agent, all buyers must sign the Buyer Representation Agreement and a Consumer Information Statement. Your Buyer's Agent will review these documents with you in advance before showing any properties. These were used in the past but with the new law, they are now required.

Please review the attached documents with your Buyer's Agent as they outline the responsibilities of your real estate agent and how they will be compensated for their work and allow them to legally advocate for you throughout the process. If you are signing in person, your Agent will give you a copy immediately. If you're signing through Docusign, you will receive a PDF via your email when all parties complete signing.

Your Buyer's Agent CANNOT show you a property until this agreement is completed.