

## **ANNOTATION FOR**

### **CLAUSE #2 OF THE RESIDENTIAL LISTING CONTRACT**

#### **REALTOR®'S FEE AND COMPENSATION POLICY:**

*This section intends to separate the compensation being paid to the listing broker for their services to list and sell the property on behalf of the seller from the compensation that the seller is permitting to be paid to a cooperating buyer broker.*

*In the past, a seller would agree to pay the listing broker a certain amount of compensation and the listing broker could offer to share part of that compensation with a cooperating buyer broker.*

*But under this form, the compensation the seller agrees to pay their broker is intentionally separated from the compensation the seller agrees to offer a cooperating buyer broker for purposes of further transparency. So the total compensation the seller agrees to pay is the combination of the amounts listed in subsections a and b.*

*Further, Section 2.1 is intended to clarify that if the amount ultimately agreed to be paid to the cooperating buyer broker by seller in the purchase agreement is different than what is listed in this agreement, the amount listed in the purchase agreement governs.*