



## **New Columbus & Central Ohio Regional MLS Rules Go into Effect on Aug. 16**

Beginning **Friday, August 16, 2024**, offers of compensation will be removed from the Columbus & Central Ohio Regional MLS, and written buyer agreements will become mandatory for all buyer's agents. This will ensure that Columbus REALTORS® membership complies with the August 17 date of final implementation set in the proposed settlement terms with the National Association of REALTORS®.

- 1. On August 16, offers of compensation** will be prohibited on the MLS. Offers of compensation will continue to be an option consumers can pursue off-MLS through negotiation and consultation with real estate professionals. Offers of compensation help make homeownership and the benefits of professional representation more accessible to buyers, including first-time homebuyers, increase homeownership opportunities for historically underserved groups, and benefit sellers by expanding the potential buyer pool. The Columbus & Central Ohio Regional MLS will remove the compensation fields from the MLS at 8:30 a.m. on **August 16, 2024**. At this time, compensation fields will be removed for all new listings. Over the next few hours, the compensation fields for all existing listings within the Columbus & Central Ohio Regional MLS will be removed. The process is expected to be completed by early afternoon on August 16.

An important reminder to all MLS subscribers is that offers of compensation should not be conveyed through the MLS in any other form, including broker remarks, document attachments, showing instructions, hyperlinks to external websites with offers of compensation, etc.

- 2. Written Buyer Agreements** are mandatory, meaning agents working with a buyer must enter into a written agreement before touring a home. Columbus REALTORS® offers a free class entitled Buyer Representation: The New Landscape. The upcoming classes are on Thursday, August 15 (limited availability), and September 19 at 9 a.m. Register for the class through the member portal.

NAR policy does not dictate the terms of buyer agreements, but Columbus REALTORS® has updated its existing Exclusive Right to Represent Buyer form found below.

### **Essential Forms & Educational Resources**

- [Standard Clauses related to Columbus REALTORS® Residential Purchase Contract](#)
- [Exclusive Right to Sell Listing Contract](#) (Updated July 2024)

- [Annotation for Clause #2 of the Residential Listing Contract](#)
- [Exclusive Right to Represent Buyer Form](#) (Updated July 2024)
- [Non-Exclusive Right to Represent Buyer Form](#) (Updated August 2024)
- [Buyer Broker Compensation Agreement](#) (Updated August 2024)

Columbus REALTORS® members are encouraged to attend an all-member Zoom webinar on Thursday, August 15, at 2 p.m., during which upcoming changes and the most asked questions surrounding the changes outlined in the settlement will be discussed.

[Register for the All-Member Webinar](#)

Links to previous Columbus REALTORS® video content surrounding the NAR proposed settlement can be found below:

- [Video Podcast with Columbus REALTORS CEO Brent Swander](#)
- [May 30, 2024 All-Member Webinar Archive](#)

## Updated Policies & Fines

The implementation of these new policies will begin on August 16, 2024. During the transition, the Columbus and Central Ohio Regional MLS will grant a one-time warning for each new policy through the end of 2024. Beginning January 1, 2025, fines will be issued at the following rates:

### **1.05.04 - Failure to Present Buyer Representation Agreement**

#### **Warning\*, \$1000, \$2500, \$5000, Suspension (Plus)**

MLS Participants working with buyers are required to enter into written agreements with their buyers before touring a home.

**\*NOTE: The \$0 Fine (warning) will be removed on December 31, 2024. From January 1, 2025, the fine will start at \$1000.**

If the MLS Participant is working only as an agent or subagent of the seller, then the participant is not “working with the buyer.” In that scenario, an agreement is not required because the participant is performing work for the seller and not the buyer. Authorized dual agents, on the other hand, work with the buyer (and the seller).

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. Language 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.

Failure to meet this requirement will result in the following:

- 1st Violation: \$1000 fine. If failing to provide the MLS, upon request within two business days, documentation indicating that this requirement has been met, a \$1000 fine will be assessed.
- 2nd Violation: \$2500 fine. If failing to provide the MLS, upon request within two business days, documentation indicating that this requirement has been met, a \$2500 fine will be assessed.
- 3rd Violation: \$5000 fine. If failing to provide the MLS, upon request within two business days, documentation indicating that this requirement has been met, a \$5000 fine is assessed.
- 4th Violation: Repeat offenders will be reviewed by MLS leadership and may result in service suspension or additional fine assessments levied against both the agent and broker. An ethics complaint by the Chair of the MLS Board of Directors may be filed. (Effective 8/17/2024)

#### **1.05.05 - Prohibited Compensation in MLS**

##### **Warning\*, \$1000, \$2500, \$5000, Suspension (Plus)**

MLS Participants are prohibited from specifying any potential offers of compensation in the MLS, whether directly (such as in any field or uploaded document) or indirectly (such as link to showing scheduling services, etc.). Any reference to compensation will be removed and a fine will be assessed.

**\*NOTE: The \$0 Fine (warning) will be removed on December 31, 2024. From January 1, 2025, the fine will start at \$1000.**

Violation of this policy will result in the following:

- 1st Violation: \$1000 fine. The offer of any compensation will be removed and fine assessed.
- 2nd Violation: \$2500 fine. The offer of any compensation will be removed and fine assessed.
- 3rd Violation: \$5000 fine. The offer of any compensation will be removed and fine assessed.
- 4th Violation: Repeat offenders will be reviewed by MLS leadership and may result in service suspension or additional fine assessments levied against both the agent and broker. An ethics complaint by the Chair of the MLS Board of Directors may be filed. (Effective 8/17/2024)