



adapt through change
thrive with knowledge

Among the new rules, a new itemized breakdown of how concessions are spent will be required at Close

Please read below for a full description and more details regarding violations

{Your Name},

Major developments are underway at CRMLS and throughout the industry. Get familiar with important dates, policy changes, and more ahead of time so you won't get caught unprepared.

Below, we will highlight the latest information in **YELLOW**, while previously communicated details will remain unhighlighted.

ON AUGUST 8:

- Buyer Agent Compensation fields will be removed from Flexmls

ON AUGUST 13:

- Buyer Agent Compensation fields will be removed from Matrix and Paragon systems
- New CRMLS Rules & Policy changes will go into effect
- The current required Concessions field at Close will include a category list
- Warning messages will be added to listing input to help users understand that compensation is no longer permitted

- Fines will be imposed on all listings that attempt to indicate forms of compensation

After NAR settled the commissions lawsuits, the draft agreement included specific requirements for all multiple listing services owned by REALTOR® associations, including CRMLS.

To remain compliant, **CRMLS will remove all Buyer Agent Commission (BAC) fields from the MLS.** Compensation negotiations will not be allowed in the MLS in any way, shape, or form.

With such a major change, it's reasonable that you have questions, so we're here to answer them.

What happens to my listings on August 13?

Compensation fields/information will be ELIMINATED and no longer visible for the following listing statuses:

- Coming Soon
- Active
- Hold
- Withdrawn
- Active Under Contract

What happens to my listings that are NOT in one of those statuses?

Compensation fields/information for the following listing statuses will REMAIN for historical purposes, but cannot be edited or changed:

- Pending (unless it moves back to Active)
- Closed
- Expired
- Cancelled

What CRMLS Rules & Policy changes will go into effect on August 13?

In adherence to the [NAR MLS Policy Changes](#), CRMLS will make Rules & Policy changes including:

- Rule 7.15 – Unilateral Contractual Offer will be renamed and revised to **No Offers of Compensation in the MLS**
- Rule 7.19 – Changes to Offer of Compensation to All Broker Participants has been renamed and revised to **No Disclosure of Listing Broker Total Commission**
- Rule 9.1 – Showing and Negotiations has been renamed and revised to **Showings**
***Note:** A signed Buyer Broker Agreement will be required before showing a property.*

This is just a short selection of the new rules. To see all CRMLS Rules & Policy changes that go into effect on August 13, [click here](#).

What will occur if someone attempts to indicate compensation anywhere in the MLS, such as Private Remarks, Public Remarks, or Showing Instructions?

Violating CRMLS Rule 7.15 (Offering or Conveying Buyer's Agent Compensation on the MLS) will result in the immediate removal of the offending language from the MLS and a fine of \$2,500.

CRMLS is actively communicating this information through emails, REcenterhub articles, MLS system pop-ups, social media, and the CRMLS.org website.

Additionally, warning messages in bold red text will appear within listing inputs on Private Remarks, Public Remarks, and Showing Instructions text fields. Private Remarks will also display a pop-up message titled "Private Remark Warnings and Errors," indicating that a prohibited word was entered and that it may result in a violation.

Based on the recent NAR settlement, CRMLS is required to take this action to ensure compliance and help reduce potential broker liability.

How will I get paid once the Compensation fields are removed?

There are different methods for a Buyer's Broker to be compensated. A frequently used method is when the buyer includes a term in the offer stating the seller will pay the Buyer Broker fee. Assuming the seller agrees, the Buyer Broker fee becomes part of the complete purchase agreement. Additionally, if using the C.A.R. Residential Purchase Agreement and Joint Escrow Instructions (RPA), the payment would also become part of the Escrow instructions.

What changes are happening to the existing reporting requirements for seller concessions at Close?

As of August 13, CRMLS will require a category breakdown of how the seller concession amount was used. The following required concession fields will be added at the Close of a transaction:

- Closing Costs (escrow and title fees)
- Property Improvements (repairs and upgrades)
- Financing Costs (loan origination and discount points)
- Buyer Broker Fee (amount the seller paid directly to the buyer's broker)
- Other

Where else can I get information on these changes?

CRMLS has designed a robust [Resource Center](#) to provide information on all items mentioned in this email and more. Bookmark the page and visit it

frequently for future updates.

Thank you,

California Regional MLS

Education

CRMLS offers a variety of resources to educate you on our products and services. Click above to visit the CRMLS training center.

Support

If you need MLS support, please click above or call us at (800) 925-1525. Our Customer Care team will be happy to assist.

Compliance

We keep your listing data safe, clean, and accurate. Click above to chat live with a CRMLS Compliance representative.



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