

BENEFITS OF NAR MEMBERSHIP

Release of Liability

Being a member resolves claims against YOU, Greater Albuquerque Association of REALTORS®, SWMLS, NMAR, and nearly all Brokerages in the NAR Settlement.

Advocacy Principles

- Protects the rights of 1.5 million REALTORS® & 86 million property owners
- Supports policy initiatives that strengthen the ability of Americans to own, buy, and sell real property
- Commitment to uphold fair housing laws and remove barriers to homeownership
- Advance policies and candidates that build strong communities, protect property rights, and promote a vibrant business community

Specifically in 2023:

- Opposed the FHFA's proposed loan level pricing adjustment upfront fee on borrowers with debt-to-income ratios greater than 40 percent.
- Supported ADUs as a means to create housing inventory
- Fought to eliminate proposed FHA fee hikes to LLPAs
- Fought to lower FHA MIPs by 30 basis points to help new & lower income buyers
- Fought costly bank rules that would raise the cost of borrowing
- Supported \$2.9 billion increases in DOH & HUD's voucher program
- Advocated for raising the Capital Gains Exclusion
- Supported commercial conversions to residential
- Supported increasing Borrower Eligibility
- Advocated to reduce foreclosures with 40-year loan modification
- Challenged environmental regulatory overreach on private land

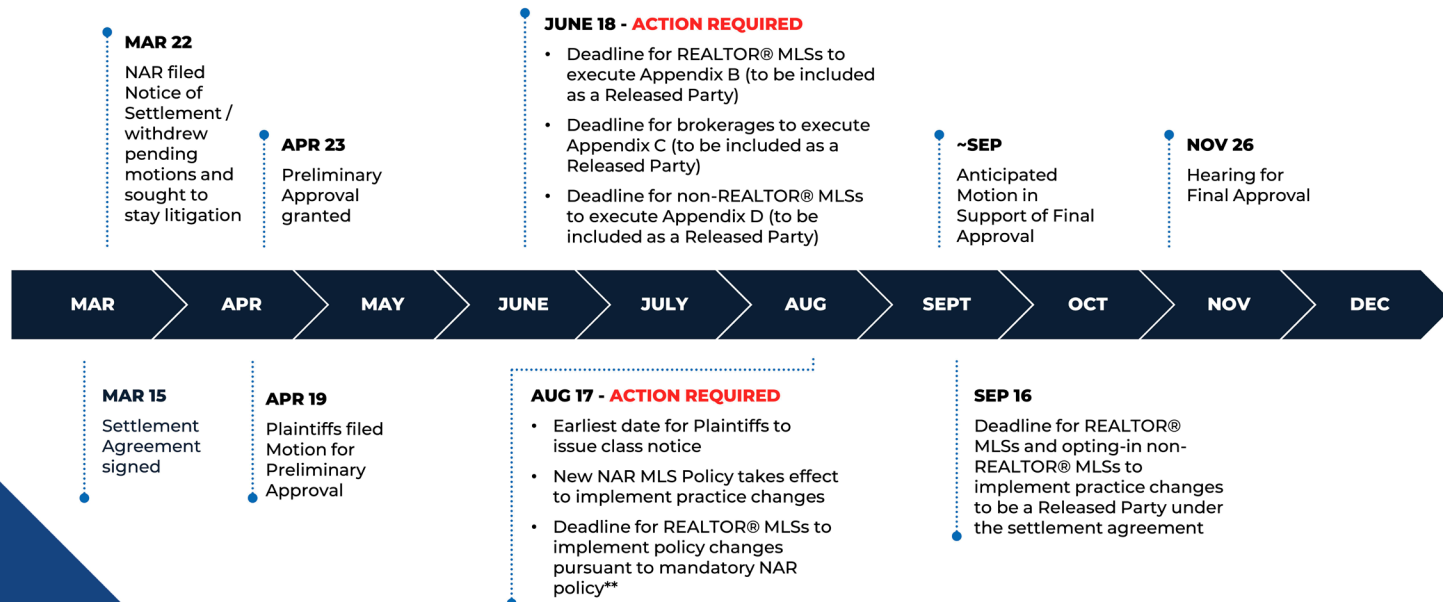
NAR ADVOCACY HISTORY



Resources

Educational resources, additional accreditations, national conferences and committees, research and statistics, discounts with NAR REALTOR Benefit® partners, and robust REALTOR® marketing.

NAR SETTLEMENT TIMELINE*



*As of May 7, 2024. Please refer to the settlement agreement for detailed information on deadlines.
**NAR encourages all MLSs to implement the practice changes by August 17, 2024.
More information on the effective date of practice changes can be found in our FAQ at facts.realtor.



June 5th

FIRST WEDNESDAY

Join the NAR Conversation



Morgan Cannaday • Richard Gibbens • Bridget Gilbert • Chris Shain Tanner • Tego Venturi
Kent Cravens, Moderator



SETTLEMENT 101

Release of Liability	Resolves claims against NAR, Associations, MLSs, and provisions for nearly all Brokerages. Independent contractors are also covered.
MLS	New rule prohibiting offers of compensation on the MLS. Cooperative compensation is still allowed off-MLS.
Written Agreements	MLS participants working with buyers must enter into written agreements with those buyers.
Settlement Payment	\$418 million over approximately four years. No increase in NAR dues for 2024 & 2025.
Denial of Wrongdoing	NAR continues to deny any wrongdoing in connection with the MLS cooperative compensation model rule that was introduced in the 1990s in response to calls from consumer protection advocates for buyer representation.

COMPENSATION

Compensation would continue to be negotiable and should always be negotiable.

Types of compensation available:

- Fixed-fee commission paid directly by consumers
- Concession from the seller
- Portion of the listing broker's compensation

LINK TO NAR'S 1-PAGE RESOURCE FOR BUYERS & SELLERS



GAAR/SWMLS ANTITRUST COMPLIANCE POLICY

The GAAR/SWMLS Antitrust Compliance Policy applies to officers, directors, employees, and members of GAAR. This policy requires that such individuals be familiar and fully comply with all applicable federal and state antitrust laws in all dealings on behalf of GAAR/SWMLS. GAAR facilities will not be used by any officer, director, employee, committee, or member in connection with any anticompetitive or unlawful purpose or unreasonable restraint of trade. Conduct expressly prohibited includes the following:

- A. Any discussion or effort to directly or indirectly fix, peg, stabilize, raise, lower or affect prices on commissions, products, advertising or credit terms;
- B. Any discussion of real estate commissions or other fees or specific non-price business practices of any particular member(s), except in the context of professional standards proceedings. (This limitation shall not extend to discussions of methods of operation, maintenance, and similar matters in which cost or efficiency is merely incidental.)
- C. Any discussion or effort by or among any members, non-members, or competitors to eliminate or limit competition, to divide or allocate territories or customers, or to limit the nature of business carried on or products or services sold or to be sold;
- D. Any discussions or effort to engage in any group boycott or concerted refusals to deal;
- E. Any discussions or effort to injure or disparage the business or the trade of anyone.

If a topic is raised which appears to involve a violation of the antitrust compliance policy, at any formal or informal GAAR/SWMLS meeting, anyone in attendance has the right and all have the duty to interrupt and demand the discussion be stopped. Those in charge of the meeting are responsible for seeing that this policy is enforced so that the prohibited conduct is stopped immediately. If the prohibited conduct persists, those responsible persons shall terminate the discussion, cancel the remainder of the meeting, and refer the matter to the President and /or GAAR legal counsel for further action to ensure compliance with the Antitrust Compliance Policy.

DEP. OF JUSTICE STATEMENT OF INTEREST

As long as sellers can make buyer-broker commission offers, they will continue to offer “customary” commissions out of fear that buyer brokers will direct buyers away from listings with lower commissions—a well-documented phenomenon known as steering. When sellers make such offers, buyer brokers need not compete on price to attract buyers. The settlement does not ameliorate these dynamics at the heart of Plaintiffs’ complaint. As a result, commissions on home sales will remain inflated, reducing the net amount the seller receives for the home and driving up the purchase price paid by the buyer. The proposed rule therefore raises serious antitrust concerns in its own right.

B. The Industry’s History of Resisting Commission Competition

When MLS systems first rose to prominence in the early 1900s, they shared not only property information but also cooperative compensation agreements between brokers. Local real-estate associations later required their members to use fee schedules with fixed commission rates.



[LINK TO ALL 38 PAGES FROM DOJ](#)



[LINK TO ANTITRUST POLICY](#)



ACCESS THESE NMAR FORMS

- 1 - Visit nmrealtor.com
- 2 - Go to ‘Member Login’
- 3 - Enter your Username (your NRDS #) & your Password (last name in lowercase)
- 4 - Go to the top menu & select ‘Legal Resources’
- 5 - Scroll down to ‘New & Revised Forms’

NEW & REVISED FORMS



FORM #	NAME	STATUS	CHANGES
1108	Compensation and Cooperation – Broker to Broker	Revised	Small revisions throughout, no significant substantive changes
2101	Price Modification / Seller Credit	Revised	Para. 1(A): Clarified that licensed contractors are only required if required by law Para. 1(C): Added “Buyer Broker Commissions” to Seller Credits Para. 1(C): Now provides options –Seller credits disallowed by lender MAY be used to reduce purchase price or MAY NOT be used to reduce purchase price
5143	Resolution Addendum	Revised	Same changes as made to Form 2101
4660	Seller’s Compensation to Buyer’s Broker	Revised	This form was called “Seller’s Bonus to Buyer’s Broker”. It was renamed and small changes were made throughout.
5115	Buyer Broker Agreement Termination Addendum	New	Terminates the Buyer Broker Agreement
1208	Notice to Unrepresented Buyer	New	Used by a listing broker if a buyer does not wish to work with ANY buyer’s broker – not the listing broker and not another buyer broker; or If the listing broker was not willing to represent the buyer and the buyer refused to obtain their own broker to represent them. This form would ONLY be used if the buyer insisted on representing themselves.
2301	Buyer Broker Compensation – Third-Party Beneficiary Addendum	New	May be used by a Buyer and included with a Purchase Agreement if/when the Buyer is requesting the Seller to pay some/all of the Buyer-Broker’s Commission

MLS CHANGES

Eliminate Compensation Fields

Remove all offers of compensation from brokers and sellers to buyer brokers or representatives ON MLS.

Require Non-MLS Mechanism

MLS cannot create, facilitate, or support any listing information to a website or other entity which lists compensation.

Prohibit Data Links

No direct feed to a platform of offers of compensation from multiple offices. Results in data feed termination.

Off-MLS Compensation

Cooperative compensation is still allowed off-MLS

Enter Into Written Agreement

MLS users required to enter into a written agreement with buyer prior to touring.



RULES & REGULATIONS W/ PENDING CHANGES

