

Q&A FOR HOME BUYERS

IMPORTANT REAL ESTATE INDUSTRY CHANGES NOW IN EFFECT

1. I heard that I now have to sign an agreement just to tour a house?

Yes, this is the case as of August 2024. If you want a REALTOR® to work in your best interest and help you tour a residential property, the REALTOR® must now have you first sign a Buyer Representation Agreement before touring a property. This is true for live or virtual showings.

2. Why would I sign a Buyer Representation Agreement just to see a property?

This new requirement is intended to protect and provide transparency to a buyer in what can be the largest transaction of a buyer's life. A Buyer Representation Agreement spells out the REALTOR®'s responsibilities to the buyer and establishes REALTOR® fees (see Question 4).

3. If I sign a Buyer Representation Agreement, how long must I work with that REALTOR®?

You and your REALTOR® will ultimately agree how long you want to work with each other. The length of a Buyer Representation Agreement can be for as short as one day (e.g., to tour a specific property) or until you find a home.

4. Do Buyer Representation Agreements include a section for a fee for the REALTOR® who helps me find a property?

REALTOR® fees are always negotiable and not set by law. Fees are an important item to discuss at the outset of a property search. The Buyer Representation Agreement includes a section where the buyer can agree to pay a Broker fee in a variety of ways, including as a percentage of the final price you pay for a property or a fixed dollar amount.

5. Can the seller pay the fee I agreed to pay my REALTOR®?

Broker Fees are always negotiable among the parties. You can ask your REALTOR® to request that the seller pay some or all of the broker fee you have agreed to pay your REALTOR® (see Question 4). This request can be included in any purchase offer your REALTOR® submits to a seller on your behalf. But it is up to the seller to decide whether or not to pay your REALTOR® a fee and, if so, how much.

If the seller refuses or fails to pay the broker fee that you have agreed to pay your REALTOR® in the written Buyer Representation Agreement, you will pay the fee or the balance due, i.e., less any amounts that the REALTOR® receives from the seller for services the REALTOR® provided to you.

6. If I sign the Buyer Representation Agreement, do I have to work with one REALTOR®?

If you sign an Exclusive Buyer Representation Agreement, you are agreeing to work with one REALTOR® for a designated period of time in a specific area who is dedicated to your search, helps you tour listings, negotiates on your behalf and who is obligated to act in your best interest. If you sign a Non-Exclusive Buyer Representation Agreement, it means you would be able to work with multiple agents at a given time. If you engage multiple agents, be careful not to obligate yourself to pay more than one REALTOR® for the same transaction.

7. Where can I go to learn more about these changes?

Some good resources are available on the website facts.realtor published by the National Association of REALTORS® (NAR).

Of course, you can also speak to a REALTOR®. Agents who are REALTORS® are ethically obligated to work in the client's best interest. If you do not currently have a REALTOR®, you can find one who specializes in Queens, Nassau or Suffolk County by visiting the Long Island Board of REALTORS'® [Find a REALTOR®](#) page.