

Buyer Agency Agreements

How to spot and report a potential violation (post settlement compliance)

As of August 17, 2024, all MLS participants representing buyers must have a fully executed Buyer Representation Agreement in place **BEFORE** showing properties. This is a requirement of the NAR settlement that statewide MLSs are expected to enforce.

Here's an example of how to assess whether you should report a violation

Suppose you're consulting with a buyer who declines to sign a Buyer Representation Agreement. When asked why, they say they've already toured homes with other agents who didn't ask them to sign one.

What to Ask the Buyer:

Was the showing before August 17, 2024?

If **YES**, then prior agent may have been compliant with the old rules.

If **NO**, then you may want to ask the buyer the following:

Were you working directly with the listing agent?

If **YES**, and the listing agent clearly issued a Notice of No Agency, then a Buyer Representation would likely not have been required.

If **NO**, Buyer Representation Agreement was signed and the agent was not the listing agent, then the situation may indicate a reportable violation.

***Reminder:** Consumers may not always fully understand agency relationships and hence its important to clarify who represents whom.*

Who was the agent?

Knowing the other agent's name is important to help us investigate whether the showing occurred under a valid Buyer Representation Agreement or not.

If the buyer advises you they met with multiple agents, try to document the names and dates of any showings.

What to do if you suspect a violation:

Report it confidentially to MRED's Rules & Regulations Department (see contact information below). You will need to provide the names of the agent and buyer.

Note: In accordance with the NAR settlement, MLSs are charged with enforcing the use of Buyer Representation Agreements. Enforcement depends on member cooperation—MLSs rely on participants to identify and report potential violations. Any reports submitted to MRED will be handled confidentially, and the reporting party's identity will remain anonymous.

Rules & Regulations

MRED Phone: 630-799-1471

Email: rules.regs@mredllc.com

If you have any questions or need further clarification, please reach out to your association leadership or contact MRED directly. We're here to assist and support you every step of the way.