

CONSUMER CENTRAL

ANSWERS TO YOUR TOP ASKED QUESTIONS

<p>I want to know about compensation. Who's responsible for what and what does it look like?</p>	<p>Compensation has been and will continue to be fully negotiable it is not set by law.</p> <ul style="list-style-type: none"> • Compensation can take many forms: flat fee, percentage, hourly rate, or anything else you decide with your broker to best suit you, and your needs. • If you're a seller, you can still compensate the buyer's broker, but you are responsible for the compensation paid to your broker and/or a buyer's broker, if any, as agreed to in the listing agreement. • If you're a buyer, you are responsible for any compensation that is agreed to in the written buyer agreement, unless the seller or seller's broker is offering compensation that offsets what you owe.
<p>Why should I use a licensed agent that's a REALTOR®? What does it mean to be a REALTOR®?</p>	<p>A REALTOR® is bound by NAR's strict Code of Ethics. A REALTOR®'s primary goal is to promote the interest of their customers (that means you). In short, a REALTOR® cannot and should not act in a way that promotes their financial interests ahead of your interests (homeownership or otherwise).</p>
<p>As a buyer, do I HAVE to enter into a written buyer agreement if I'm working with a REALTOR® member?</p>	<ul style="list-style-type: none"> • YES! REALTOR® members and all MLS Participants require a written buyer agreement when working with a buyer. Before you tour a home with your REALTOR® you need to have one signed. • WHY? Well it protects you, the buyer. Written buyer agreements are meant to increase transparency regarding services and financial responsibilities. • WHAT NEEDS TO BE IN IT? Written buyer agreements can take many forms but they must: (1) be in writing; (2) disclose the compensation you have to pay, if any; (3) and, contain a disclosure that broker fees and commissions are fully negotiable and not set by law.
<p>What are concessions, who pays them, and how do I use them?</p>	<ul style="list-style-type: none"> • WHAT: Generally, concessions are an incentive from the seller directly to the buyer that the buyer can use to offset any costs associated with closing. Concessions are always negotiable and can be used to compensate the buyer's broker, BUT concessions CANNOT be made contingent on payment to the buyer's broker. Concessions can be used for repairs, association dues, interest rate buy downs, or anything else the buyer decides to do with it. • WHO: A seller may offer concessions to make homeownership more accessible to buyers. Seller concessions typically appear as a debit to the seller on the closing statement, and as a credit on the buyer's side. • HOW: A buyer can ask the seller for concessions in the submitted offer to help cover costs associated with purchasing and closing on their home.
<p>How does all of this benefit me?</p>	<p>More transparency! The required disclaimers, clauses, and agreements are aimed at clearly laying out what the roles, and responsibilities of everyone involved in a real estate transaction. That way customers (like you) know upfront what to expect.</p>

DISCLAIMERS:

This is only meant to provide education and information and is not a substitute for legal advice. It contains links to other third-party websites, which are only for the convenience of the recipient. MIAMI REALTORS® does not recommend or endorse the contents of third-party sites. For legal advice or representation, contact private counsel or call the FLORIDA REALTORS® Legal Hotline (1-407-438-1409). This should not be construed as legal advice or as an offer to perform legal services on any subject matter. It contains general information and may not reflect current legal developments or information. Nothing is intended to create an attorney-client relationship and shall not be construed as legal advice. The information is not guaranteed to be correct, complete, current, or suitable. MIAMI REALTORS® makes no warranty, expressed or implied, about the accuracy or reliability of the information in these materials. Recipients of the information in this program or materials should not act or refrain from acting on the basis of any information without seeking appropriate legal advice on the particular facts and circumstances at issue from an attorney licensed in the recipient's state. MIAMI REALTORS® expressly disclaims all liability with respect to actions taken or not taken by the recipient based on any or all of the information in this information and materials. Last updated February 10, 2025.