

HOW TO DO BUSINESS NOW

LEGAL UPDATE AND ACTION PLAN

7.25.24



MEET THE LEGAL TEAM

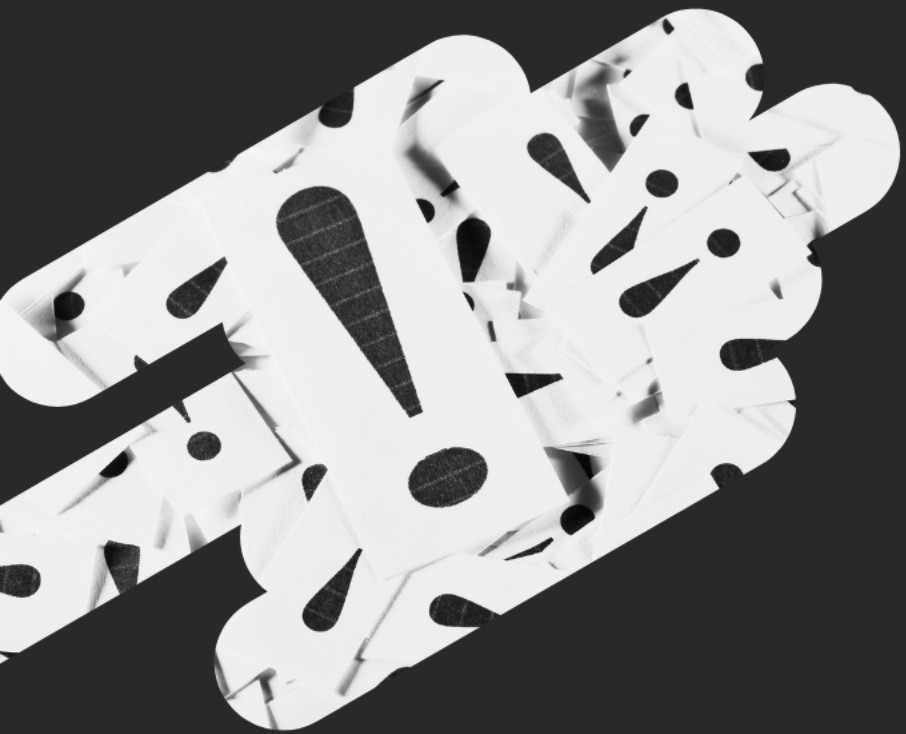


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DISCLAIMER:

This session is only meant to provide education and information on relevant legal topics facing the industry and is not a substitute for legal advice or representation.

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THE ROADMAP: HOW TO GET READY FOR AUGUST 17



HOW TO DO BUSINESS NOW

CHECKLIST TO GET READY FOR THE 8/17/24 PRACTICE CHANGES

1. **RENEW YOUR MEMBERSHIP:** REALTOR® membership is required by the "class notice date" (which is no sooner than 8/17/24) to be eligible for release of liability under the NAR settlement
2. **MLS RULES:** learn what's new and how to comply with the new rules
3. **SELLER-TO-BUYER INCENTIVES:** learn what they are and how to use them - on behalf of sellers and buyers
4. **FORMS:** know what they are and how to use the new Florida REALTORS® forms
5. **CONTRACTS & DISCLOSURES:** make sure your brokerage is using forms that comply with the new MLS Rules and practice changes
6. **EXISTING LISTING & BUYER REPRESENTATION AGREEMENTS:** determine whether you need to amend or use the Compensation Disclosure Form to comply with the new practice changes
7. **EDUCATION:** attend MIAMI's legal updates and the NEW courses MIAMI is licensing to brokers for free that teach you how to do business now
8. **LICENSE MIAMI'S COURSES:** brokers can license new, customizable courses for FREE for their agents to prepare for the practice changes
9. **ABR:** get your certification
10. **ANTITRUST AUDIT CHECKLIST:** use the checklist, take it to your counsel, get it done
11. **USE MIAMI'S TOOLKITS:** miamirealtors.com/facts
12. **PHOTOFY:** educate your brokerages and consumers with cobrandable social media content MIAMI has prepared
13. **STAY UPDATED:** miamirealtors.com/facts
14. **ASK QUESTIONS:** call Florida REALTORS® Legal Hotline or email legal@miamire.com

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A decorative background on the left side of the slide featuring numerous question marks of various sizes and styles, including simple outlines, filled-in versions, and some with patterns like cross-hatching or stippling.

POP QUIZ:

What is the #1 thing you can do right now to protect your business?

- A:** Attend all of MIAMI REALTORS®' education and use the toolkits
- B:** Renew your membership with MIAMI REALTORS® (if you haven't already) before the class notice date so that you are released from liability under the NAR settlement.
- C:** No idea, that's why we're here today!



ANSWER:

Renew your membership with MIAMI REALTORS® (if you haven't already) before the class notice date so that you are released from liability under the NAR settlement!

Hot tip: earliest date for "class notice" is August 17, 2024, so don't wait!

MLS CHANGES:

**ALL SOUTHEAST FLORIDA
MULTIPLE LISTING SERVICE
CHANGES GO LIVE ON**

AUGUST 17, 2024

MLS CHANGES:

**OFFERS OF COMPENSATION
WILL BE PROHIBITED IN THE
SEFMLS AS OF
AUGUST 13, 2024**

- fields will be gone
- no offers of compensation in remarks, photos, documents, videos, etc.
- offers of compensation, if any, are permitted on your website with your listings
- broker remarks can include websites
- no exceptions
- no workarounds
- fines will be substantial

NEW OPTIONAL MLS FIELDS:

SELLER-TO-BUYER INCENTIVES

Financial Information		
Assumable:		\$/SOH Value:
Total Mortg:		Terms: All Cash, Conventional
Type of Assoc:	Homeowners	
Application Fee:		Maint Fee:
		Maint Fee Incl:
Assoc Fee:	\$269	Assoc Fee Pd: Monthly
Tax Amount:	\$9,928	Tax Year: 2022
Tax Info:	Tax Reflects Other Tax Exemption	
Special Info:		
Possession Info:	Funding	
Spec Assess:		Mult Offers :
Hardship Pkg:		FACE:
Seller-to-buyer incentives: Yes	Seller will consider seller-to-buyer incentives if included in offer to purchase	

SELLER-TO-BUYER INCENTIVE OPTIONS:

DOWNLOAD THE TOOLKIT



SELLER CONCESSION OPTIONS

This menu of options is a reference guide for brokers and agents.

Seller concessions are fully negotiable. The amount and kind of concessions sellers, buyers, and their brokers decide to incorporate into their deals are unilateral and independent business decisions.

SELLER CONCESSIONS

- Buyer closing costs
- Appraisal fees
- Title search fees
- Loan origination fees
- Inspection fees
- Recording fees
- Attorneys' fees
- HOA fees
- Condo fees
- Special assessments
- Real estate taxes
- Liens
- Repairs
- Buydowns
- Home warranties
- Price reduction: \$ amount
- Price reduction: % amount
- Other: list in broker remarks

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BEST PRACTICES

- **Seller concessions benefit both the buyer and seller**
 - For buyers, can reduce up front costs and barriers associated with purchasing a home
 - For sellers, concessions can make the property more attractive by bringing more potential buyers (helping to ensure max net profit to the seller) and can speed up a transaction
- **You don't have to wait to start utilizing seller concessions in negotiations - start now!**
 - Required MLS changes go live on August 17, 2024, but seller concessions are currently permitted
- **Add notes or details in BROKER REMARKS**
 - Do NOT include offers of compensation in the broker remarks or anywhere else in the MLS
- **Seller concession limits**
 - Depend on buyer's mortgage loan
 - If no mortgage loan, likely no limits



FLORIDA REALTORS® FORMS:

- **LIVE NOW on Form Simplicity**

- Compensation Agreement - Seller to Buyer Broker
- Compensation Agreement - Seller Broker to Buyer Broker
- Modifications to Compensation Agreement
- Exclusive Buyer Brokerage Agreement - Transaction Broker
- Exclusive Buyer Brokerage Agreement - Single Agent
- Exclusive Buyer Brokerage Agreement - No Brokerage Relationship
- Exclusive Buyer Brokerage Agreement - Consent to Transition to Transaction Broker
- Showing Agreement

- **WHAT'S COMING:**

- August 2024: Exclusive Right of Sale Listing Agreement
- October 1, 2024: Condo riders will change
- Longer term: Commercial forms, vacant land forms



TIMELINE:

- **JUNE - OCTOBER 2024:** Florida REALTORS® is releasing new and amended forms in order to incorporate the required practice changes.
- **JULY/AUGUST 2024:** Seller-to-buyer incentive fields go live in MIAMI SEFMLS.
- **AUGUST 13, 2024:** Compensation fields no longer in SEFMLS.
- **AUGUST 17, 2024:** Earliest possible date for “class notice.” MUST be a member by “class notice” date to be released from liability. **MIAMI SEFMLS rule changes go live.**
- **NOVEMBER 26, 2024:** Hearing for final approval of NAR settlement agreement.

TOOLKITS:

- **THE ROADMAP: HOW TO GET READY FOR AUGUST 17**
- **SLIDE DECK: LEGAL UPDATE & ACTION PLAN**
- **COMPENSATION DISCLOSURE FORM**
- **COMPENSATION MODELS**
- **SELLER CONCESSION OPTIONS**
- **BEST PRACTICES: DEVELOPER OWNED PROPERTIES**
- **FLORIDA: AUTHORIZED BROKER RELATIONSHIPS**
- **BEST PRACTICES: DATA FEEDS, WEBSITES, COMPENSATION**



**DOWNLOAD
THEM HERE**

RESOURCES



NAR

facts.nar

competition.realtor

MIAMI REALTORS®

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