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# Northwest Multiple Listing Service Makes Rule Changes to Increase Transparency and Flexibility for Consumers and Brokers

### *NWMLS Modernizes its Rules Related to the Compensation Paid by the Seller to the Broker who Procures the Buyer.*

**Kirkland, Wash. – July 22, 2019 –** The Northwest Multiple Listing Service ("NWMLS") today announced it is making changes to its rules in a move to increase transparency and flexibility for consumers and its more than 30,000 real estate brokers.

The rules revisions allow real estate firms to publish the amount of commission the seller is offering to pay a broker representing the buyer (known as the "selling office commission" or "SOC") on the firms' public websites along with the other listing information (e.g. list price, square footage, bedrooms, bathrooms, and other detailed property information). Making this information readily available to consumers will allow for complete transparency with regard to buyers' broker's compensation and provide consumers with additional information at the outset of the transaction.

The changes also remove the requirement that a seller offer a SOC when listing a property for sale and, if there is no SOC offered, allow the buyer and buyer's broker the opportunity to negotiate the compensation of the buyer's broker as a part of the offer to purchase.  This revision allows greater flexibility for sellers when listing a property, while affording buyers and buyer's brokers a vehicle for negotiating the compensation for the buyer's broker's services (if no SOC is offered).

"Consumers want greater transparency and flexibility in the home buying and selling process," said NWMLS CEO Tom Hurdelbrink. "We believe these changes encourage member real estate firms to continue to innovate and evolve their business models to better serve consumers."

"Transparency in real estate transactions benefits everyone," commented Jason Wall, Lake & Company and NWMLS Board member.  "Why shouldn't a buyer know, in advance, how much his or her broker will be paid for the broker's services?  NWMLS's rules changes are welcome. Flexibility and choices for consumers and brokers are good things."

"Letting brokerage websites publish the commission that a homeowner is offering the buyer's agent will show everyone all the incentives at work in a home sale and make it easy for agents to explain the costs of our services," said Redfin CEO Glenn Kelman. "And being explicit that a listing can offer buyers' agents any commission or now even no commission will assure consumers and agents alike that Seattle's real estate market is wide open for competition. We're proud that the broker-owned

NWMLS has again led the way in promoting a fair marketplace for brokers large and small, and in giving real estate consumers here more information than people have anywhere else in the world."

"Purchasing a home is typically the largest investment most people will make in their lives," said Meredith Hansen of Keller Williams Realty, Greater Seattle and NWMLS Board member. "Consumers deserve full transparency in advance on the cost of commissions when making such a monumental decision and expenditure."

The new rules will take effect October 1, 2019.

**About the Northwest Multiple Listing Service:** Founded in 1984, NWMLS is a not-for-profit, member-owned organization created to facilitate cooperation among its member real estate firms. NWMLS provides an array of products and services to assist brokers in providing real estate brokerage services to consumers in the Pacific Northwest. With more than 2,300 member offices and 30,000 real estate brokers across Washington state, the organization's broad offerings include multiple-listing systems, mobile applications, an online scheduling service, statewide public real property database, an electronic forms and signature service, cloud storage, data analytics, keybox services, 19 service centers, and related customer support & training. For more information, visit www.nwmls.com.