



Communication Points related to the NAR Settlement

- Connecticut law has required written buyer agency agreements and a required notice for consumers about fees being negotiable for nearly thirty years.
- The option for sellers to cooperate on buyer broker compensation is important to homebuyers, especially first-time buyers who have been squeezed by higher mortgage rates, inflation, and rising home prices – an additional out-of-pocket cost could push them out of the market altogether.
- Because of laws and practices in place in Connecticut for decades there has continually been intentional transparency with consumers about the transaction process.
- Sellers, buyers, landlords and tenants utilize REALTORS® as they understand the great value in the professional assistance and expertise that REALTORS® provide in real estate transactions. Real estate transactions are often a consumer's largest financial transaction, very complex and require troubleshooting to get to successful completion.
- Real estate compensation amounts are negotiable between a real estate broker and the client. There are many options provided in various real estate business models that continue to be options going forward such as listing broker offers to buyer brokers, seller concessions to pay buyer broker fees, flat fees, fees for specific services, or hourly rates.
- Written and clear disclosures to consumers that real estate professional fees are not set by law and are negotiable have been in place in Connecticut for forty years. There is no standard real estate broker compensation or fees.
- There is much misinformation being reported in the national media and we would like to again emphasize there is absolutely no standard commission rate. Those are independently negotiated between real estate agents and their clients. Statistics, trends and commentary related to other states may have no connection to Connecticut real estate.
- Housing demand, limited inventory and increased mortgage rates are the most significant factors impacting home prices, housing affordability and housing availability. Real estate compensation plays a relatively small role in overall housing costs.
- A tightening inventory of homes for sale across Connecticut has been primarily responsible for pushing the statewide median price of an existing single-family house from less than \$250,000 in 2018 to more than \$475,000 as of the end of June 2024.
- REALTORS® will continue to use their skill, care, and diligence to protect the interests of their clients.
- The real estate industry throughout the country and in Connecticut will adapt as necessary. This will be a time of adjustment, but the fundamentals remain: buyers and sellers will continue to have many choices when deciding to buy or sell a home.
- REALTORS® are advocates for Connecticut homeowners and taxpayers. REALTORS® subscribe to and are held by a higher set of professional standards.

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This information is dated August 15, 2024, and subject to change at any time as new information or interpretation may become available.