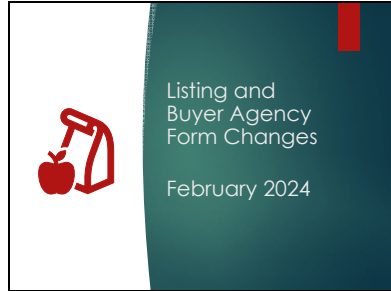
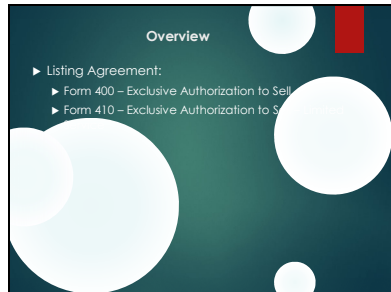


Slide 1



Instructor: Introduction

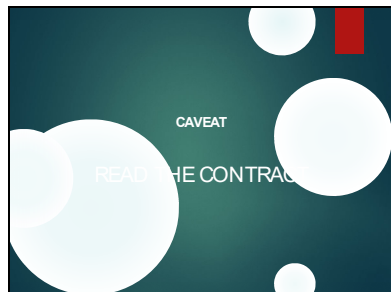
Slide 2



Instructor:

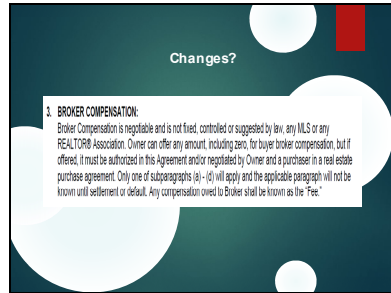
For listing agents and brokers, Form 400 and Form 410 have been revamped. Let's dive into these changes first then we'll move on to Buyer Agency Agreements.

Slide 3



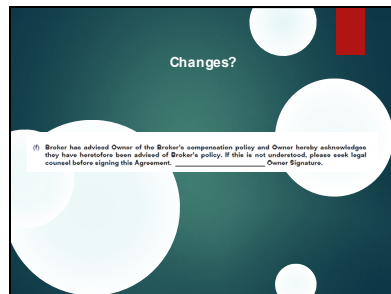
Instructor: As a reminder, please take a moment to read the contract. Really, please read any and all contracts carefully to ensure you and your client remain in compliance all the time.

Slide 4



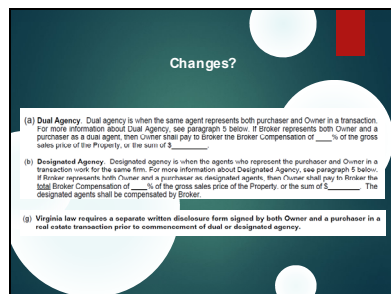
Instructor: The first big change is the initial Broker Compensation paragraph. This paragraph was added to inform the customer that compensation is indeed negotiable and is not fixed by any organization or by law. In addition, since there are various types of compensation agreements added only one will apply until settlement or default.

Slide 5



Instructor: Skipping ahead a bit but more on compensation policies. A subparagraph has been added with a signature block to ensure that the customer understands and acknowledges that they have been advised of Broker's compensation policies.

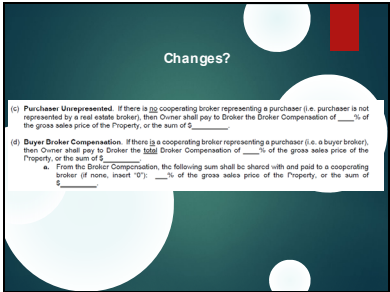
Slide 6



Instructor: Now for the big changes. There are 4 compensation subparagraphs. The first two are Dual Agency and Designated Agency. Both include a one sentence description of what they are and refers them to a lengthier explanation in paragraph 5. Again, remember, that how you "represent" your client and the legal obligations can "change" during the course of the representation. Of course, dual and designated agency require mutual consent from the buyer and the purchaser, which is reflected in a subparagraph further below.

When discussing these agencies, it is a perfect time to explain to the customer what they are and what they mean. For example, in discussing dual agency you can explain to the customer what you can and cannot do, as well as what your legal duties are and the labor that goes into them.

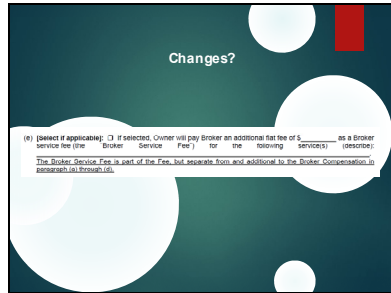
Slide 7



Instructor: Here are the last two changes. For Purchaser Unrepresented, you again have the chance to explain exactly what your duties, obligations, and what the law allows you to do for the purchaser if you so choose. For example, the ministerial tasks.

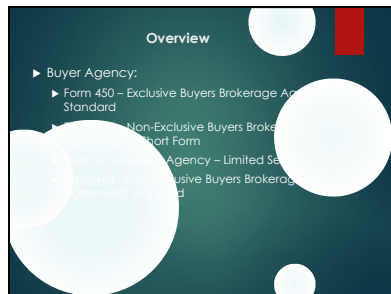
For subparagraph d, here is where any cooperative compensation would go if the customer does indeed choose to provide one. Again, compensation is not set by any organization or by law. However, if the customer chooses to provide it this is where you will enter it. On the first block you will enter the TOTAL compensation, then what the cooperative compensation would be in subparagraph a.

Slide 8



Instructor: Lastly, if applicable, there is an option for an additional flat fee which is separate and in addition to the total compensation whatever it may be at settlement or default. And that concludes the big changes to the listing forms. Now let's move to Buyer Agency.

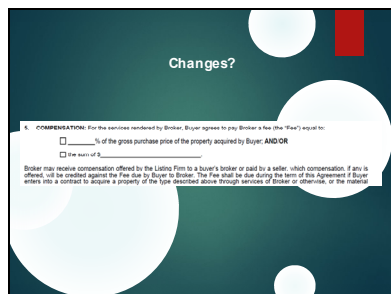
Slide 9



Instructor:

For selling agents and brokers, Form 450, 465, 470, and 460 have been modified.

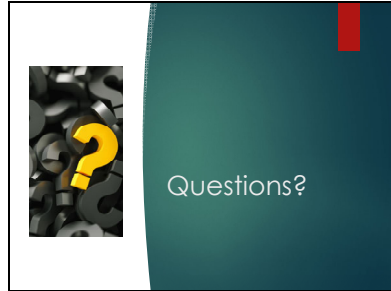
Slide 10



Instructor: The only change to Buyer Agency agreements is here. The checkbox for cooperative compensation has been removed. Instead, this line was added, "Broker may receive compensation offered by the Listing Firm to a buyer's broker or paid by a seller, which compensation, if any is offered, will be credited against the Fee due by Buyer to Broker."

This is to ensure that the buyer understands and has clear expectations of what is owed.

Slide 11



Again, a friendly reminder, to read the contract in its entirety. If you have any questions, please submit them through the Virginia REALTORS® Legal Hotline.