

Buyer Agent Fee Compensation

Follow the Guidelines

The recent announcement and results of the NAR lawsuit concerning the Buyer's Agent Fee and who can pay it created a lot of concern across the country about how this could be integrated into the negotiation process and what limitations might be faced. The mortgage agencies had strict rules on seller concession limits that did not leave much room to work in seller-paid fees beyond what a seller may be willing to contribute towards closing costs.

The agencies, FNMA, FHLMC, FHA, USDA & VA, put their thinking caps on and have each made new guidelines to accommodate the new approach to the Buyer's Agent Fee:

"Buyer's Agent Comp is considered a fee that is "Customarily" or "Traditionally" paid by the seller. Any fees defined as such do not count towards the contribution limits; therefore, the buyers receiving a seller concession to cover closing costs can also negotiate to have the seller cover all or part of the Buyer's Agent Fee."

VA also had a rule in place prohibiting the buyer from directly paying the Buyer's Agent Fee, but as of 8/10/2024, their new rule goes into effect, allowing Buyer Agent Fees.

RAPV Affiliate/Realtor Committee