

## Residential Listing Agreement Revisions from July 2024

### What are the significant changes in the Residential Listing Agreement revised in July of 2024?

- **Seller side only compensation:** Compensation to the listing broker is for the seller side only.
- **No line for cooperating broker compensation:** There is no line in the listing intended for cooperating broker compensation. Cooperating broker compensation has been removed from all C.A.R. forms including the listing agreements.
- **Additional compensation if the buyer is unrepresented:** The only space for additional compensation is a field for an unrepresented buyer. The listing agent may write in and receive additional compensation if the buyer purchasing the property is unrepresented. This amount compensates the broker for the additional time and effort that working with an unrepresented buyer will entail.
- **MLS information moved to a separate addendum:** The RLA states, as a default, that the property will be marketed in the MLS. All other public marketing information regarding the MLS has been removed from the listing. Instead, this information has been moved into a new separate addendum form – the Multiple Listing Service Addendum (C.A.R. Form MLSA) -- which explains the purposes, rules and benefits of an MLS.
- **“Seller concessions” is now placed in the new MLSA form:** All references to “seller concessions” have been removed from the listing. Instead, authorization to advertise seller concessions in an MLS are now found in the MLSA form (see above). The advertising of seller concessions in an MLS does not bind the seller to any specific credit or amount but only indicates that the seller is willing to consider offers asking for seller concessions. Box 5B(2) in the MLSA form must be checked to grant the broker this authority.
- **The Broker Compensation Advisory (C.A.R. Form BCA).** This form is automatically attached to the listing. It explains how seller-side and buyer-side compensation works.
- **Grid format:** All of the negotiable terms in the listing have been placed in a grid appearing on the first and second pages. The grid format, which has been a popular feature of the C.A.R. purchase agreements for over three years, makes for a clearer and easier to understand agreement by placing the negotiable terms front and center.
- **Formatting is consumer friendly and easier to read:** In addition to the grid format, the print is larger, the lines are spaced farther apart, the indentations are bigger, and there are even some bullet points. This makes the RLA easier to read and easier to understand for the consumer.
- **Ordering of forms and attachments to the RLA is consumer friendly:** The RLA is bundled with many other advisories and attachments through C.A.R.’s forms library. A consumer would rightly expect that the listing, as the main document, would appear towards the top. The new ordering starts with the Disclosure Regarding Real Estate Agency Relationships (C.A.R. Form AD)—which must come first by law—and then the listing agreement, followed by all other advisories and attachments.