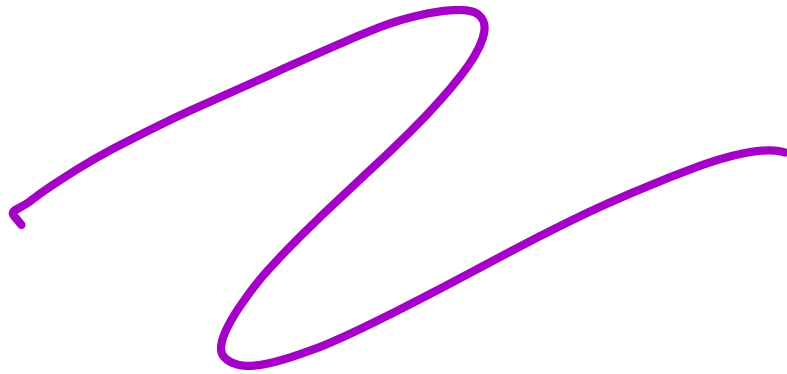


# Navigating The New World With Grace



# Operative Word: Grace



**Be Kind.**

**For everyone you  
meet is fighting a  
hard battle that you  
know nothing about.**

1

**Story  
So Far**



2

**Friday  
Settlement**

NAR

3

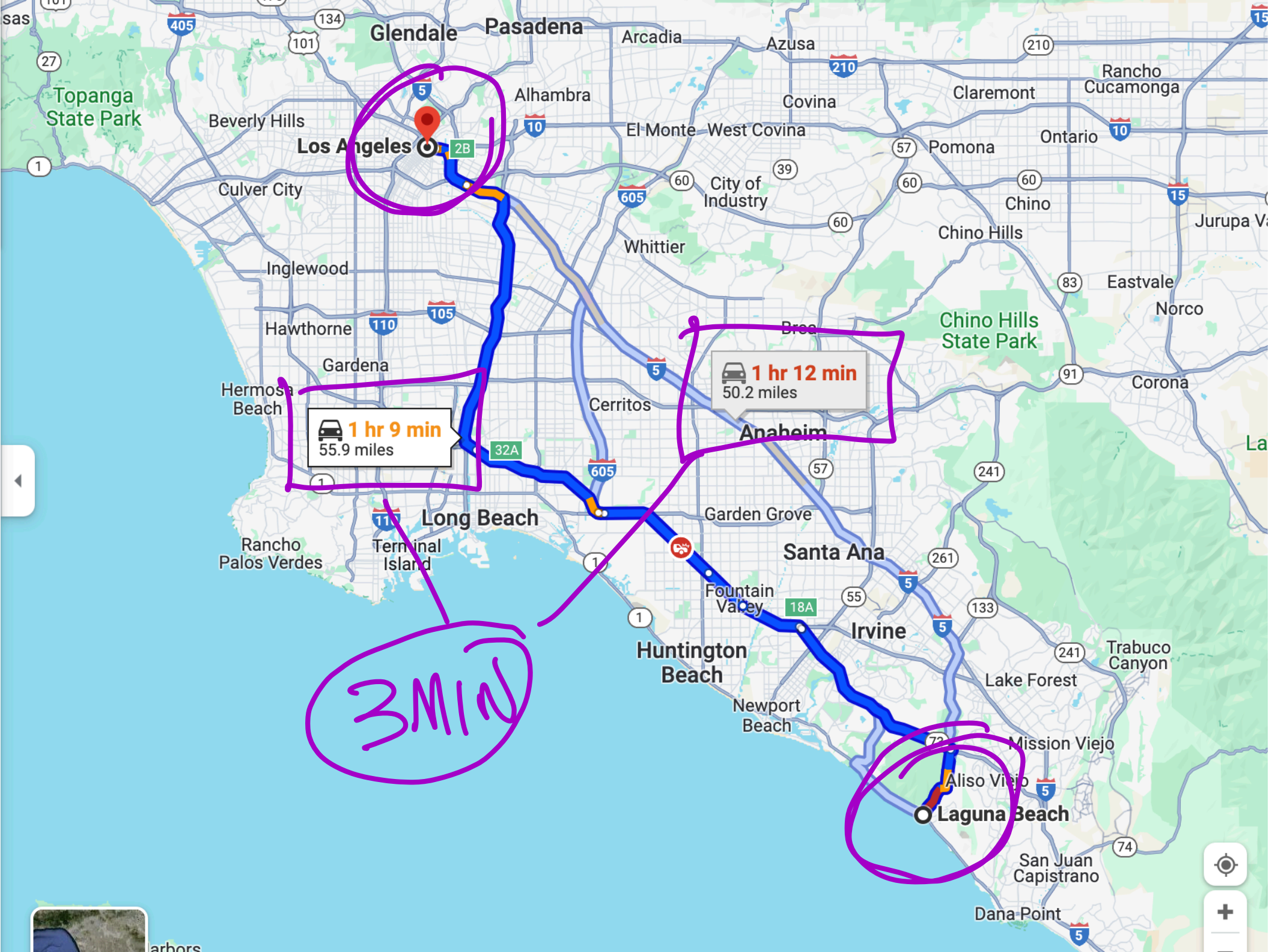
**Next  
Steps**

CLIENTS  
YOU  
INDUSTRY



**On the DISC profile, if  
you are a high D...**

**Put a D in the chat.**



Los Angeles

1 hr 9 min  
55.9 miles

1 hr 12 min  
50.2 miles

3MIN

Laguna Beach



## THE ULTIMATE OVERSIMPLIFICATION

1. Similar destination but in a slightly different route
2. Co-op Commission will no longer be posted in the MLS
3. Every buyer to sign a contract while working with an agent



## Disclaimer (and the truth)

1. I am not an attorney
2. I am not your managing broker
3. If you asked my wife she will tell you that you should never listen to me about any topic except the Anaheim Ducks
4. I am just a guy who wants to help you







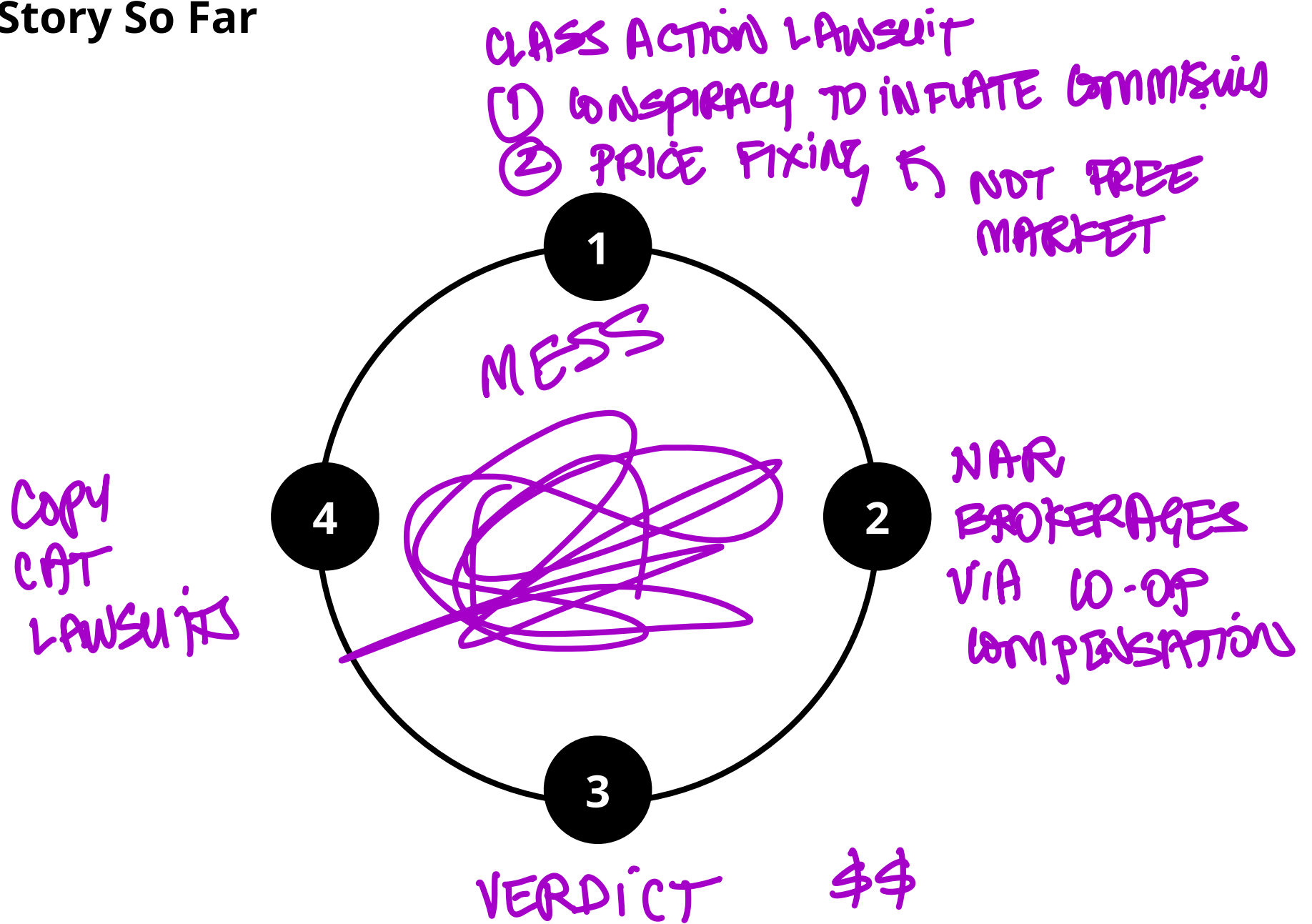
# The Game Plan For Today

|   |   |   |
|---|---|---|
| <p>①</p> <p>The Story<br/>So Far</p>      | <p>②</p> <p>Understanding<br/>Friday March 15th</p> | <p>③</p> <p>The 3-Day<br/>PhD<br/>2</p> |
| <p>④</p> <p>Understand<br/>Facts</p>      | <p>⑤</p> <p>Process<br/>Emotions</p>                | <p>⑥</p> <p>Adjust<br/>Actions</p>      |
| <p>⑦</p> <p>Top of Mind<br/>Questions</p> | <p>⑧</p> <p>4 Things<br/>We Should Do Now</p>       |   |



# The Story So Far

# The Story So Far







2

# Understanding Friday the 15th

WRAPS ALL  
THE MEMBERS  
TO SOLVE

## NAR Settlement

- ① MONEY ✓
- ② NEW PRACTICES ✓

## Rule Changes

- ① JUDGE HAS TO APPROVE
- ② HOW TO IMPLEMENT
- ③ NOT ALL PARTIES ARE "FREE"
- ④ JULY 2024

## Next Steps



THE ULTIMATE  
OVERSIMPLIFICATION

**Similar  
destination but  
in a slightly  
different route**





3

# The 3-Day PhD



**Who has made a post or video  
about this NAR thing so far?**

Put a ME in the chat.

**Josh Rubin**  
10h · 🌐

**This just in: Attorney Michael Ketchmark gets \$138M from NAR settlement and needs a pied a terre in NYC. Who's working w him? I got a place.**

👍👍👍 Peter Raider and 29 others · 19 comments

👍 Like   🗨️ Comment   📧 Send   ➦ Share

**Will Kalieel**  
Stirring the pot. lol  
Like Reply

**Real Estate Mastermind**  
Sean Hettlich · 1d · 🌐

**Zillow is going to go broke.**

👍👍👍 Lori Hobin and 650 others · 510 comments

👍 Like   🗨️ Comment   📧 Send

**Manoj Philip**  
Top Contributor · 23h · 🌐

Who pays the Selling Broker's commission?

- Seller
- Listing Broker
- Buyer
- Buyer pays both Listing & Selling commissions

👍 3   18 comments   105 votes

👍 Like   🗨️ Comment   📧 Send

**Adam Frank**  
Top Contributor  
Listing broker.

back when you got your paycheck from your job and you paid your car payment, did your employer pay your car payment or did you pay your car payment?

Like Reply   1 👍

**Anonymous member**  
1d · 🌐

I'm just glad I focus on being a listing agent. Bye bye buyers agents! 🙄

👍👍👍 648   1.6K comments

👍 Like   🗨️ Comment   📧 Send

**Debbie Lynn Gaydos Guido**  
Top Contributor

Yes, not a positive comment. We'll see how it works out -the listing agent representing the seller and a buyer coming directly to you and you representing them at the same time? That is exactly the situation that created Buyers rep agency in the first place many years ago.

Like Reply   10 👍



Michelle Dinkins ✓

Top Contributor 1d · 🧑🏻

**With the NAR ruling: am I correct in saying that, Even though SELLERS AGREE to pay a 6% commission, I can't share that with a buyer's agent? How can they tell ME how to disburse MY COMMISSION? 🤔 That's a whole new can of worms.**

👍😄 Bill Schlip and 347 others 1.2K comments

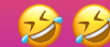
👍 Like      💬 Comment      📧 Send



Real Estate Mastermind ✓

Michelle Dinkins · 20h · 🧑🏻

**Instead of figuring out all this NAR crap, I'm going to start taking applications for a sugar daddy!**



😄👍 399 140 comments

👍 Like      💬 Comment      📧 Send

# I posted this video on Friday

Business / Economy

**The 6% commission on buying or selling a home is gone after Realtor association settlement**

By David Goldman a...  
6 minute read  
Updated 12:58 PM E...

truth is that  
it all talks about

sharransrivatsaa Original audio

sharransrivatsaa Hug your agent. Being a real estate agent is one of the hardest jobs in the world...  
2d

massiveagent So well said my friend 🙌  
1d 14 likes Reply  
View replies (4)

jackperryhomes I love the way you talk about difficult subjects 🙌🙌🙌  
1d 3 likes Reply  
View replies (1)

coachvikramdeol 🔥🔥hardest industry I've ever been in. Hands down and it's only gotten harder. It's why I love you and I love training great hardworking honest humans how to help more people.  
2d 4 likes Reply

View insights Boost reel

Liked by christinesmithrealtor and 7,058 others  
2 days ago

Add a comment... Post

## Baby Viral

- 400K+ views
- 5,000+ Shares
- 2,000+ Saves
- 1,000+ comments



# The hate is off the charts

*I am a real estate agent, have had my license for two years... its not hard. I am a real estate photographer now and that's hard.*

*Agents are parasites and it's time for them to go...*

*You aren't worth a penny. You are no more useful than a cashier.*



# Hate from fellow agents

*Realtors are not valuable anymore with the use of tech*

*This is the destruction of the current real estate model and we have clowns like yourself trying to put a positive spin on it*



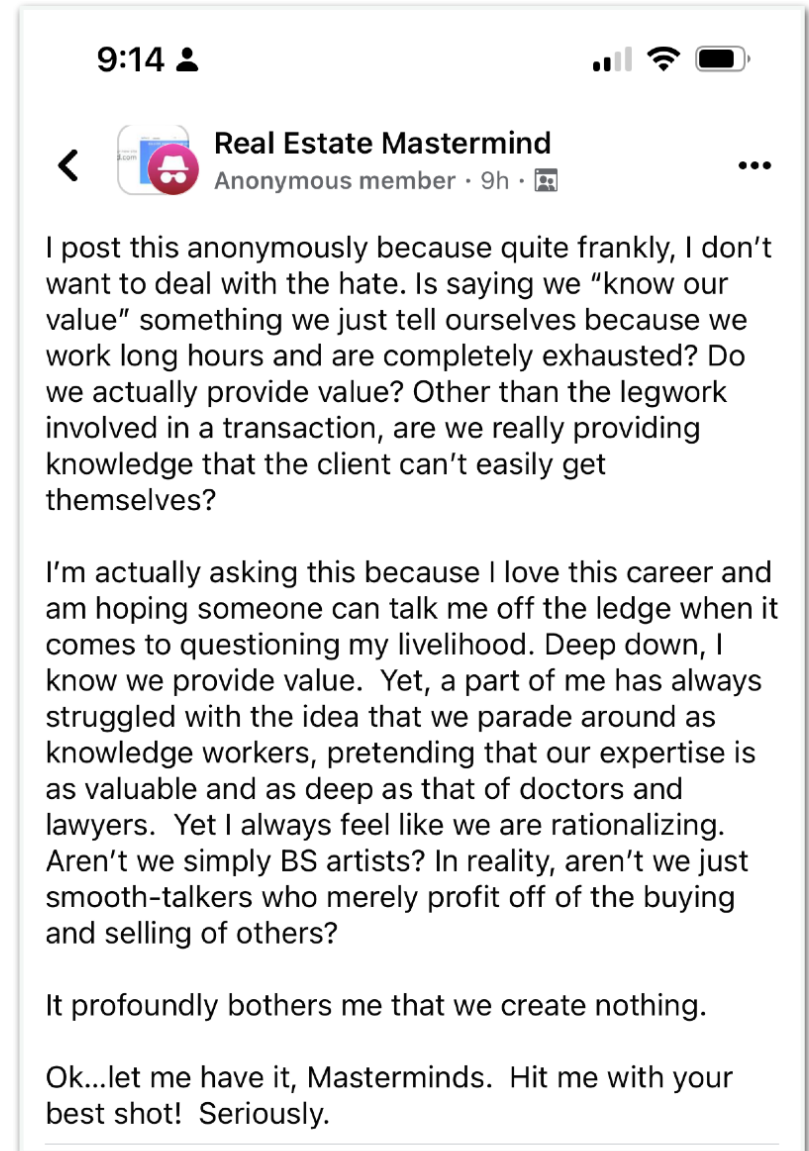
# The insecurity is off the charts

*I post this anonymously because I don't want to deal with the hate.*

*Do we actually provide any value?*

*Aren't we simply BS artists?*

*In reality aren't we just smooth-talkers who merely profit off the buying and selling of others?*



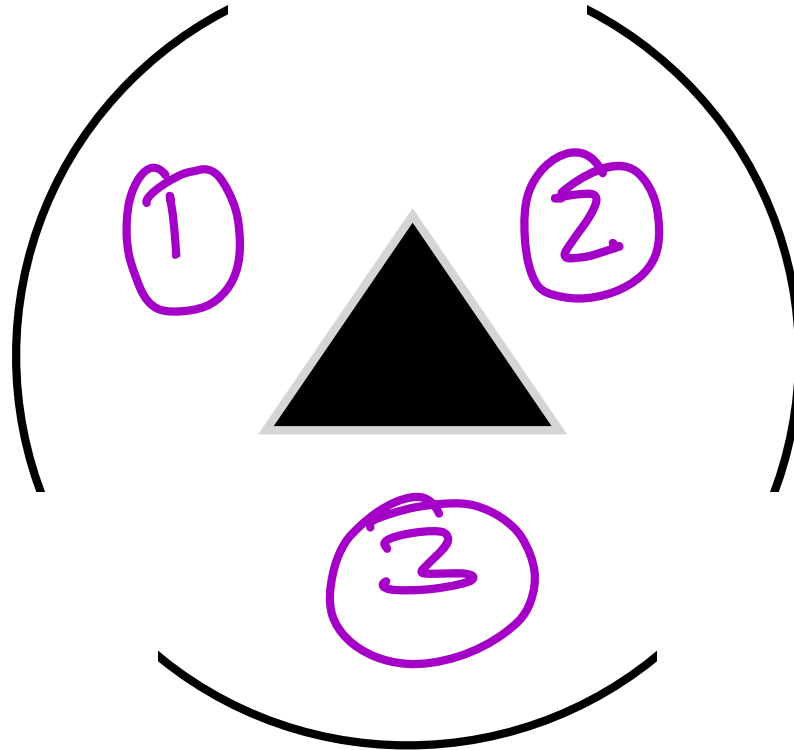
# Learnings:

1. It's only human to fear the unknown
2. When the playing field changes, it's normal to be insecure (second guess) about our capabilities
3. We tend to get protective when our livelihood is challenged

**Only when we are in  
a good place  
can we make good  
decisions.**

UNDERSTAND

FACTS



PROCESS  
EMOTIONS

ADJUST ACTIONS





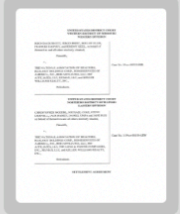
4

# Understand The Facts

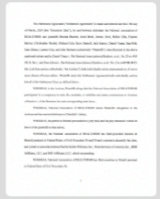




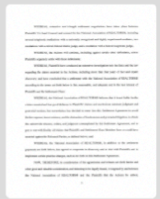
Realtors - NAR Settli...



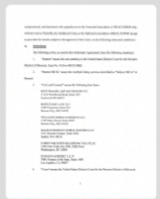
1



2



3



4

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MISSOURI  
WESTERN DIVISION**

RHONDA BURNETT, JEROD BREIT, HOLLEE ELLIS,  
FRANCES HARVEY, and JEREMY KEEL, on behalf of  
themselves and all others similarly situated,

Plaintiffs,

v.

THE NATIONAL ASSOCIATION OF REALTORS,  
REALOGY HOLDINGS CORP., HOMESERVICES OF  
AMERICA, INC., BHH AFFILIATES, LLC, HSF  
AFFILIATES, LLC, RE/MAX, LLC, and KELLER  
WILLIAMS REALTY, INC.,

Defendants.

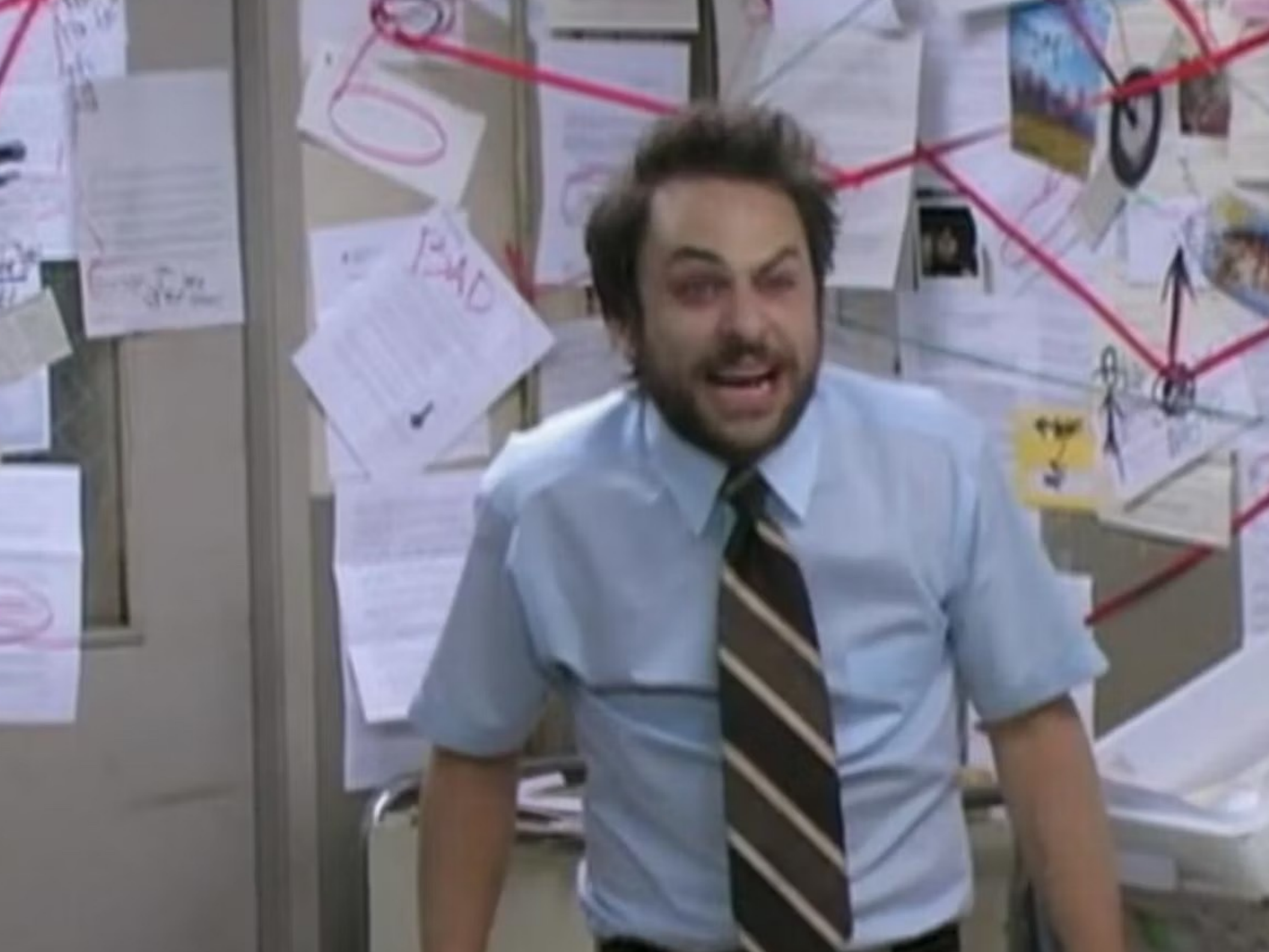
Case No. 19-cv-00332-SRB

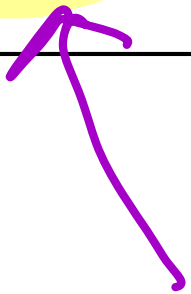
**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

CHRISTOPHER MOEHL, MICHAEL COLE, STEVE  
DARNELL, JACK RAMEY, DANIEL UMPA and JANE RUH  
on behalf of themselves and all others similarly situated,


Plaintiffs,





|                   |   |
|-------------------|---|
| <b>Rule #1</b>    | Eliminate and prohibit any requirement by the National Association of REALTORS®, REALTOR® MLSs, or Member Boards that listing brokers or sellers must make offers of compensation to buyer brokers or other buyer representatives (either directly or through buyers), and eliminate and prohibit any requirement that such offers, if made, must be blanket, unconditional, or unilateral; |
| <b>Key Part</b>   |    |
| <b>Meaning...</b> | <p>1. REMOVE REQUIREMENT OF COOP</p> <p>2. OFFERS CAN BE MADE</p>   |

|                   |  |
|-------------------|--|
| <b>Rule #2</b>    | Prohibit REALTOR® MLS Participants, subscribers, other real estate brokers, other real estate agents, and their sellers from (a) making offers of compensation on the MLS to buyer brokers or other buyer representatives (either directly or through buyers) or (b) disclosing on the MLS listing broker compensation or total broker compensation (i.e., the combined compensation to both listing brokers and cooperating brokers); |
| <b>Key Part</b>   |  |
| <b>Meaning...</b> | CANNOT MAKE OFFERS OF COMPENSATION ON THE MLS  |

|                   |   |
|-------------------|---|
| <b>Rule #3</b>    | Require REALTOR® MLSs to (a) eliminate all broker compensation fields on the MLS and (b) prohibit the sharing of the offers of compensation to buyer brokers or other buyer representatives described in Paragraphs 58(i) and (ii) of this Settlement Agreement via any other REALTOR® MLS field; |
| <b>Key Part</b>   |    |
| <b>Meaning...</b> | YOU WON'T SEE A PLACE TO ENTER OR VIEW CO-OP COMPENSATION   |

|                   |   |
|-------------------|---|
| <b>Rule #4</b>    | Agree not to create, facilitate, or support any non-MLS mechanism (including by providing listing information to an internet aggregators' website for such purpose) for listing brokers or sellers to make offers of compensation to buyer brokers or other buyer representatives (either directly or through buyers), <b>however, this provision is not violated by... (a bunch of things)</b> |
| <b>Key Part</b>   | <b>" own Brokerage "</b>  |
| <b>Meaning...</b> | <b>THE BROKERAGE CAN OFFER COMPENSATION ON THEIR OWN WEBSITES FOR THEIR OWN LISTINGS</b>  |

|                   |  |
|-------------------|--|
| <b>Rule #5</b>    | viii. require REALTORS® and REALTOR® MLS Participants acting for sellers to conspicuously disclose to sellers and obtain seller approval for any payment or offer of payment that the listing broker or seller will make to another broker, agent, or other representative (e.g., a real estate attorney) acting for buyers; and such disclosure must be in writing, provided in advance of any payment or agreement to pay to another broker acting for buyers, and specify the amount or rate of any such payment; |
| <b>Key Part</b>   | TERMS OF DISCLOSURE !!   |
| <b>Meaning...</b> | SELER CAN SIGN AN AGREEMENT WITH LISTING BROKER THAT HE WILL PAY X TO BUYER BROKER   |



FEELINGS



5

**Process**  
Emotions

**Here is the truth:**  
Anything could  
happen...



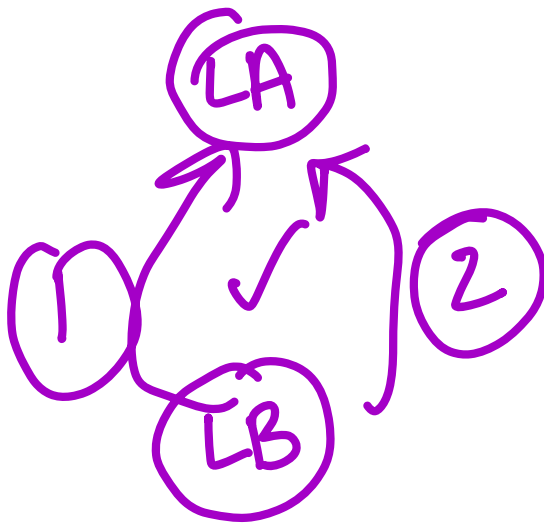
**However:**

The people who are freaking out either don't understand what is happening or are too afraid their lack of skill is going to be exposed

# Myth #2

NO

## 6% commission will cease to be the norm



- ① LA will advise to offer ✓
- ② Competitive disadvantage ✓
- ③ Decoupling mechanics  
same destination - Diff path

No

# Myth #1

## Home prices will drop

- ① Compensation doesn't change
- ② Commissions don't drop
- ③ Home prices don't drop

# Myth #3

## Steering will be less common

- (1) seller offers compensation
- (2) Buyer Agent finds out
- (3) Buyer agent advises or steers ↗ WHY?

NO

# Myth #4

One million real estate agents will leave the profession



NO change

- ① compensation
  - ② NO drop in Lamm
- different mechanisms

# Myth #5

Amazon, Zillow, and  
Unicorns will take over  
real estate and we will  
all become obsolete

IF agent  
quit for 1  
week ...

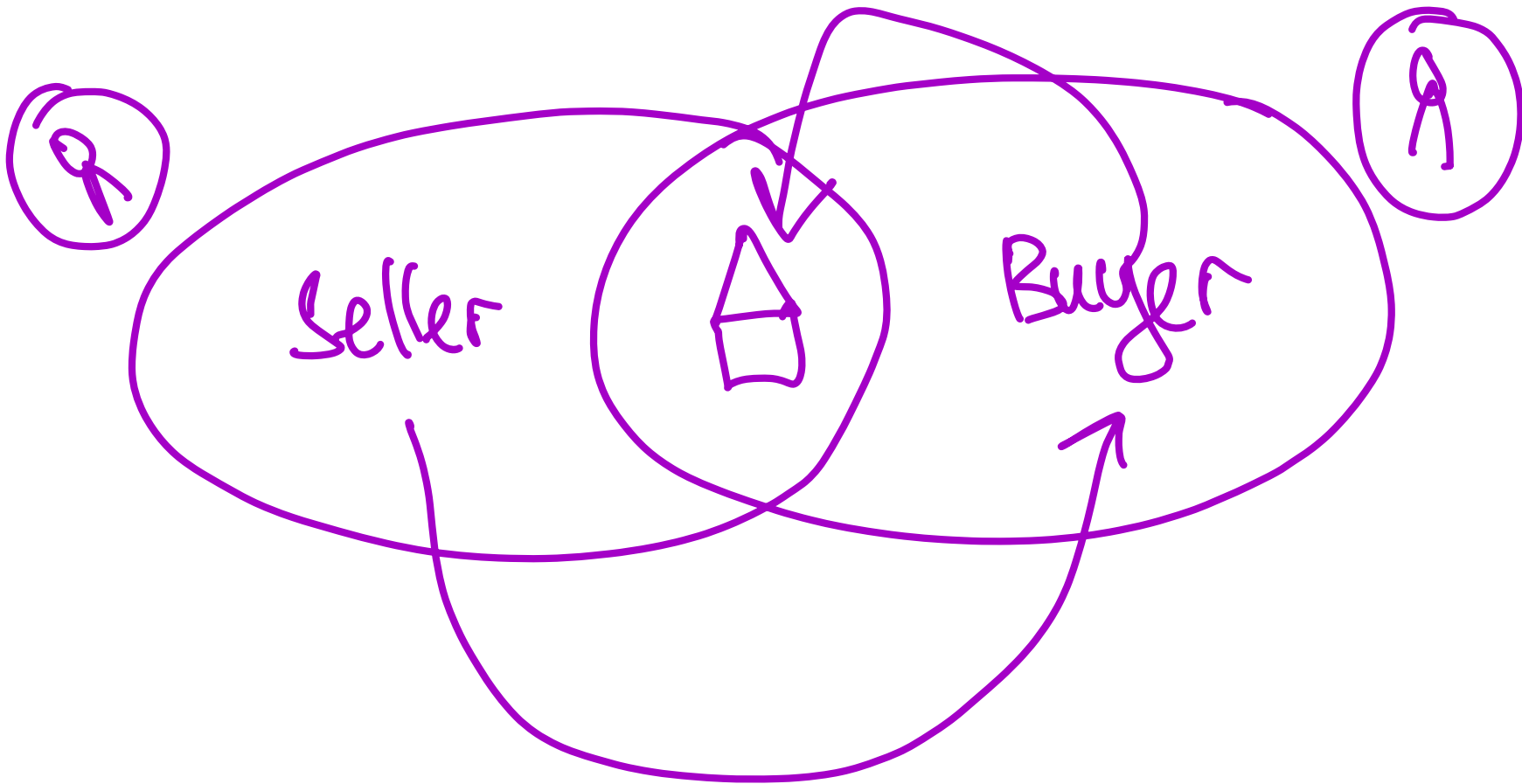


**Thoughtfully**  
Adjust Actions



# Big Idea #1

## The Cardinal Rule



# Big Idea #2

## The 3 Agreements



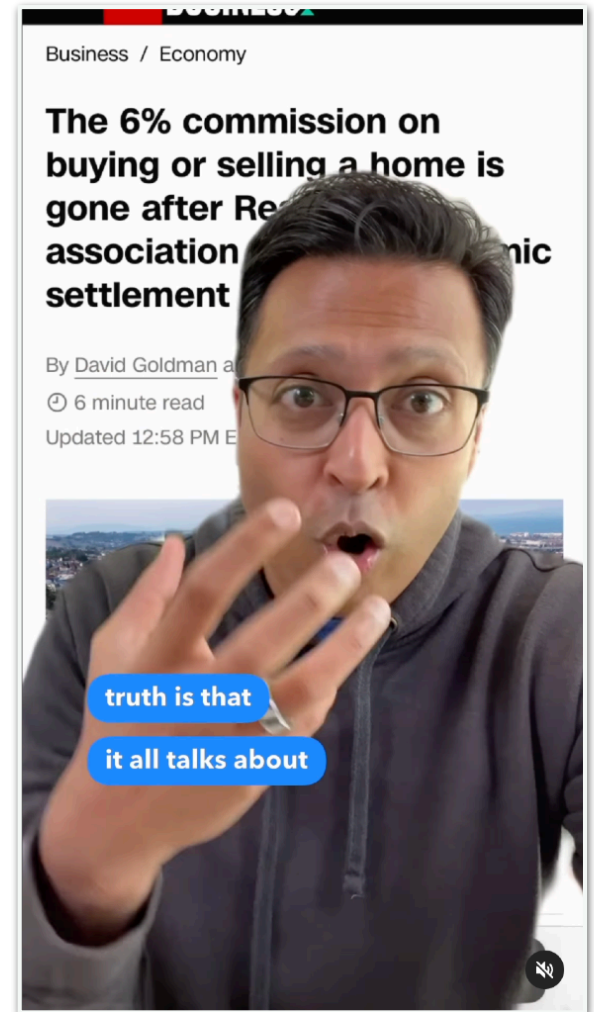
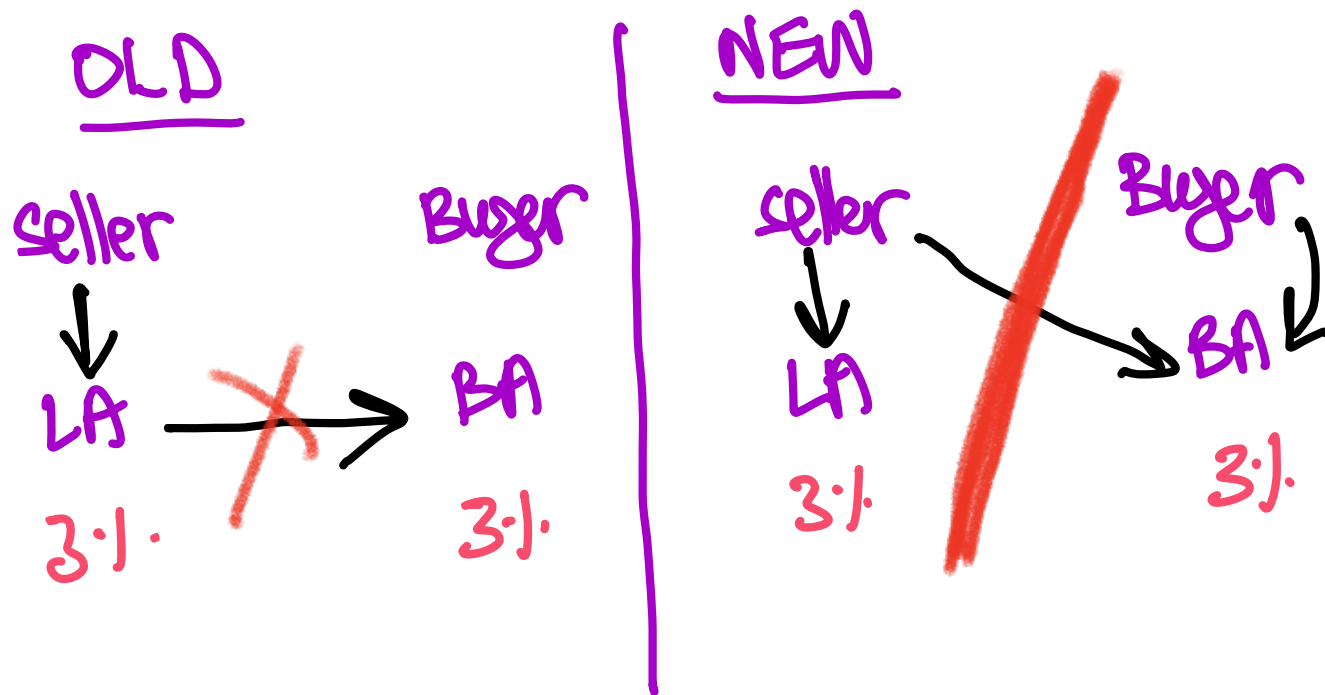
# Big Idea #3

## The Importance of the Buyer Broker Agreement

- ① ALIGNMENT
- ② COMPENSATION
- ③ SERVICES

# Big Idea #4

## The Decoupling of Commissions



# Big Idea #5

## How does the buyer broker get paid?



① Seller Pays

② Buyer Pays

③ Seller + Buyer Pay

Manoj Philip  
Top Contributor 23h · 📷

Who pays the Selling Broker's commission?

- Seller
- Listing Broker
- Buyer
- Buyer pays both Listing & Selling commissions

👍 3 18 comments 105 votes

👍 Like    💬 Comment    📧 Send

Adam Frank  
Top Contributor  
Listing broker.

back when you got your paycheck from your job and you paid your car payment, did your employer pay your car payment or did you pay your car payment?

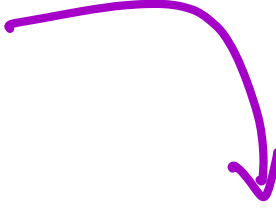
Like Reply 1

# Big Idea #6

This is differently  
itemized accounting of  
the same purchase  
price

# Big Idea #7

## Full Disclosure + Education



REMOVE  
FEAR OF  
UNKNOWN



# Big Idea #8

## The importance of your value proposition

89%

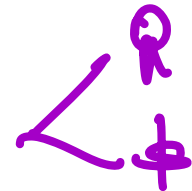
→ BUT ITS  
MORE  
IMPORTANT  
THAN ...





# Top of Mind Questions

# Top Of Mind Questions

|   |   |   |
|---|---|---|
| <p>How exactly do I explain this to a buyer?</p> <ul style="list-style-type: none"><li>• 3 Agreements ✓</li><li>• You do ✓</li><li>• Compensation works ✓</li></ul> | <p>Do I have to do anything different business-wise right now?</p> <ol style="list-style-type: none"><li>① learn the BBA ✓</li><li>② learn new path ✓</li></ol> | <p>Do I have to use a Buyer Broker Agreement?</p> <p>Yes</p>  |
| <p>What happens with VA and mortgages?</p> <ol style="list-style-type: none"><li>① certainty of close</li><li>② HUD Fannie Freddie</li></ol>                        | <p>Where is Real in the settlement?</p> <p>working on it</p>  | <p>Should I only focus on listings?</p> <ol style="list-style-type: none"><li>① DUMB</li><li>② 2 SIDES </li><li>③ ↑ YOUR SKILL</li></ol> |

 **Laura Monroe**  1d · 

Here's my initial thoughts on the NAR Settlement news:

I need a margarita.  

  Lana Rodriguez and 241 others 98 comments

 Like  Comment  Send  Share

 **Karen Stone**  
Amen!!! Bottoms up!!!

Like Reply 2  

 Comment as Sharran Srivatsaa  

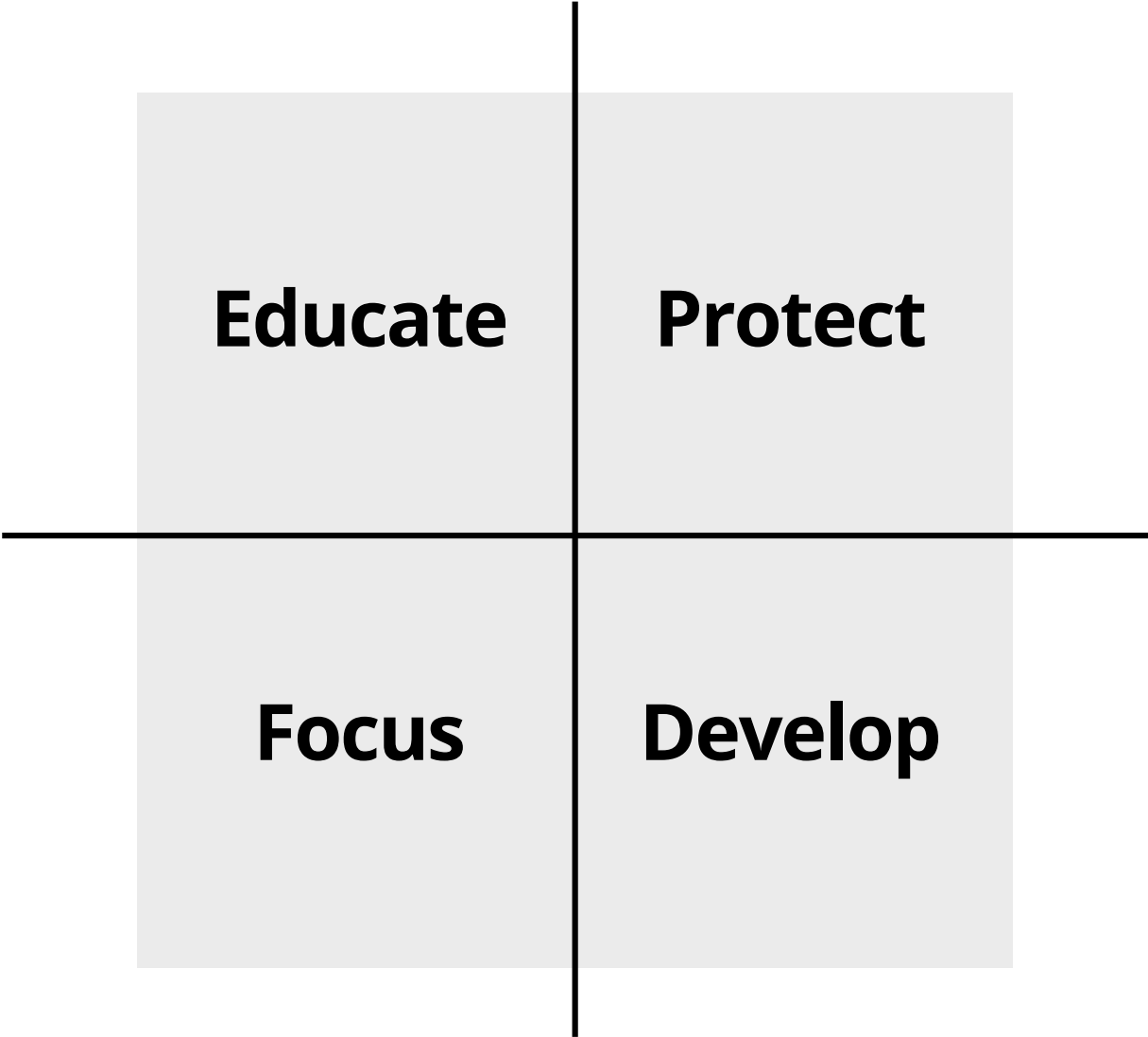






**Clear**  
Next Steps

# The Final Four



# Step 1:

# **Educate Don't Defend**

# Step 2:

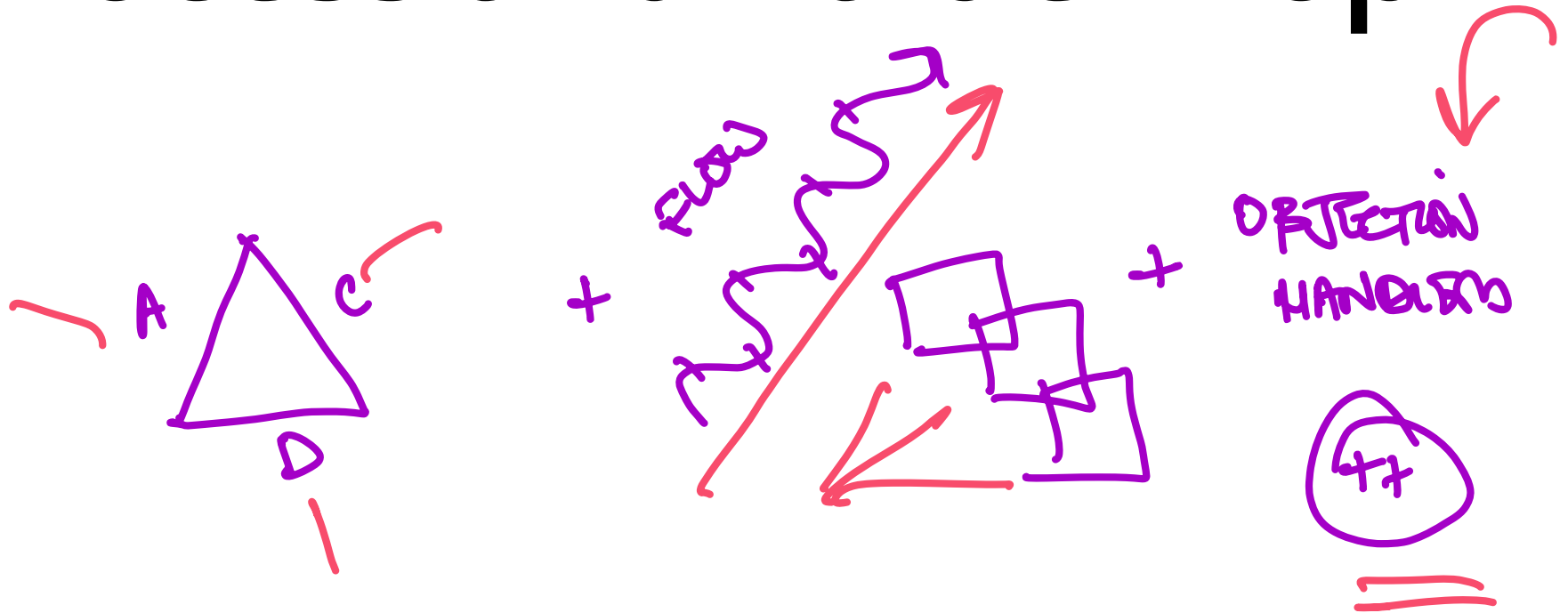
# Protect Your Relationship




# Step 3: Focus On Your Business



# Step 4: Develop a Bulletproof Process and Value Prop



# The Game Plan For Today

|                          |                                    |   |
|--------------------------|------------------------------------|---|
| The Story<br>So Far      | Understanding<br>Friday March 15th | The 3-Day<br>PhD  |
| Understand<br>Facts      | Process<br>Emotions                | Adjust<br>Actions   |
| Top of Mind<br>Questions | 4 Things<br>We Should Do Now       |  |



9

**What's on  
Your mind?**

In a world where you  
can be anything, **be**  
**kind.**



# Navigating The New World With Grace

