

NAR settlement impact on closing costs

Real Estate Commission Scenarios

Purchase Price \$ 417,700

Before NAR Settlement

The negotiable commission rate paid by Seller at closing can vary but typically is around 5% to 6% of the sale price, split between the seller's agent and the buyer's agent.

Total Commission % **5.0%**

\$ Costs

SELLER \$ 20,885

BUYER \$ -

After NAR Settlement

Pending court approval, sellers will no longer be required to pay the agent who represents their buyer. That could open the door to much more competition among buyer-side agents, and even more potential for fee negotiation.

5.0% >>>>>>>> **4.0%**

\$ Costs

\$ 10,443

\$ 10,443

\$ Costs

\$ 10,443

\$ 6,266

For illustrative purposes only

Scenarios

Seller not paying Buyer agent commission



\$ Costs or (Savings)

\$ (10,443)

Buyer pays lower commission to agent



\$ -

\$ (4,177)

Note: Sellers may still offer concessions to buyers or compensation to buyer's agent in order to incentivize bidding and sales.

Note: Buyers and sellers may negotiate a flat-fee with realtors, instead of percent of sale price.