NATIONAL ASSOCIATION OF REALTORS®

CONSUMER GUIDE:
WHAT VETERANS NEED TO KNOW ABOUT BUYING A HOME

The National Association of REALTORS® is proud to support those who serve our country on their journey to achieve the American Dream of homeownership. Veterans and active service members often have unique needs when looking for a home, and agents who are REALTORS® are committed to helping ensure those needs continue to be met following the real estate practice changes that went into effect on August 17, 2024. Here is what you need to know:

I'd like to take advantage of my Department of Veteran Affairs (VA) Home Loan benefit. Am I allowed to pay for a real estate agent under VA rules? Yes.VA currently allows buyers using VA home loans to pay for professional real estate representation. NAR advocated extensively for this policy and continues to work with VA and Congress on a permanent solution to ensure veterans have access to professional representation when purchasing a home.

Why is the policy only temporary? Will it be made permanent? The VA will decide if a formal rulemaking is necessary to make this policy permanent. NAR is advocating for this policy to become permanent through continued engagement with lawmakers and the VA, sharing examples of how this policy change is helping consumers.

Why am I being asked to sign a written agreement? Written buyer agreements lay out the services real estate professionals provide and what they will be paid for those services. The practice changes require written agreements for many real estate professionals nationwide. These agreements are fully negotiable. You should not sign anything that includes terms you do not agree with or do not understand. For more info on written buyer agreements, NAR has created a dedicated resource here.

How does my buyer's agent get paid? This is determined in your written buyer agreement. Methods of paying a buyer's agent may include, but are not limited to, the seller or their listing broker offering to compensate the buyer's agent, the buyer requesting that the seller pay the buyer broker as part of the purchase offer, or the buyer paying their agent directly out of pocket.

What has NAR done to promote access to financing for veterans?

- NAR has been a strong supporter of the VA Home Loan Guaranty program, which has helped American veterans obtain more than 29 million home loans.
- NAR continues to advocate for the VA to offer flexible and competitive loan products. For example, the association supported VA's recent efforts to modernize its appraisal requirements to reduce barriers and help veterans compete in today's housing market.
- NAR continues to work with the VA and Congress to ensure that the descendants of certain veterans may use an unused home loan benefit.
- NAR advocates for allowing buyers to assume the existing interest rate on a VA loan.
- NAR successfully advocated for improvements to the VA home loan program, including new rules to help ensure eligible borrowers learn about their benefits during the application process.
- NAR successfully advocated for legislation directing VA to develop a long-term solution to ensure veterans using VA home loans are not disadvantaged when securing buyer representation. NAR continues to work with VA to support permanent policies that protect veterans' access to professional representation.

Why should veterans and active service members work with an agent who is a REALTOR®? REALTORS® are obligated under NAR's Code of Ethics to work in your best interest. Additionally, many REALTORS® have obtained NAR's Military Relocation Professional (MRP) certification to better prepare them to work with veteran buyers. Find a REALTOR® who has earned the MRP certification here.

Your real estate agent will help you navigate the purchase or sale of your home; for legal advice, consult an attorney licensed in your state. Not all real estate professionals are REALTORS®. Only those who are members of the National Association of REALTORS® may use the term REALTOR®, and they are obligated under NAR's Code of Ethics to work in your best interest. Please visit facts.realtor for more information and resources.