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Chairman Hillyer, Vice Chairman Mathews, Ranking Member Isaacsohn, and members of the House Civil Justice Committee, thank you for allowing me to present sponsor testimony on House Bill 466 before you today.

House Bill 466 would establish a standard for the use of written representation agreements between real estate professionals and their clients. Recently, the National Association of REALTORS (NAR) announced a settlement related to nationwide litigation that came from homebuyer complaints about commissions. As part of that settlement, NAR will put into place new rules requiring realtors using the Multiple Listing Service to have written agreements with their clients.

This bill will set minimum standards and help protect both parties. It would require these agreements to be entered into before showing a property for a seller or making an offer to purchase a property for a buyer. The agreements must contain: 1) an expiration date, 2) information on fair housing and blockbusting laws, 3) whether the relationship is exclusive or nonexclusive, and 4) terms of compensation. It is vital that Ohio establishes standards for these agreements so that both the real estate professional and the buyer have a transparent

understanding of the services being provided, compensation, and the responsibilities of both parties.

Thank you for your time. I am happy to answer any questions you may have.