



FAQ

Iowa Real Estate Changes

Amidst changes in the real estate industry, it's our job to ensure our current and potential clients are up-to-date on the latest information. As always, if you have any questions, reach out! The Bails Team is happy to provide clarity.



Q: What real estate changes can I expect when buying a home?

A: A written agreement between an agent and client must be signed before a licensed real estate agent can show a property to a client.

Q: What does the agreement accomplish? What are the terms outlined in the agreement?

A: Through the Real Estate Transparency Act, which took effect July 1, 2024, the Buyer Agreement enables real estate licensees to represent and work in the best interest of both buyer clients by outlining clear contractual obligations and duties of parties in the transaction.

The form will cover Representation (Exclusive or Non-Exclusive), Retainer Period, and Proactive Period; Duties & Obligations; Dual Agency & Competing Buyers; Broker Compensation; and Standard Language.

The agreement is a collaborative effort between licensed real estate agents and buyers. Both parties will work together to decide the terms of the agreement.

Q: Do I have to use an exclusive buyer agreement? Can I use a non-exclusive?

A: Buyers have the right to choose whether or not they choose to be exclusive with an agent. By selecting an exclusive arrangement, the buyer agrees to be solely represented by a single real estate agent throughout the defined agreement terms.

Q: What qualifies as a "showing" in Iowa?

A: National Association of REALTORS® (NAR) released definitions related to what constitutes a showing that would trigger the need for written agreement:

"Touring a home means when the buyer and/or the MLS participant, or other agent, at the direction of the MLS participant working with the buyer, enters the house. This includes when the MLS participant or other agent, at the direction of the MLS participant, working with the buyer enters the home to provide a live, virtual tour to a buyer not physically present."

Please note, that open houses are not considered a showing. Additionally, Iowa Association of REALTORS® (IAR) extends this interpretation to auctions as well. A buyer agreement must be signed if a licensed real estate agent helps the buyer prepare an offer for the auctioned property.