Representing Buyers With Confidence

Antitrust Disclaimer

- Discussion in class is NOT intended to fix, control, recommend or suggest the compensation or fees charged for real estate brokerage services.
- NAR, the state and local associations and MLS's do not recommend or suggest any compensation amounts.
- Any discussion in class that contains specific percentages or dollar amounts will be immediately stopped.
- Any participant who continues to violate the antitrust policy will be asked to leave the session for the protection of the sponsor and participants.

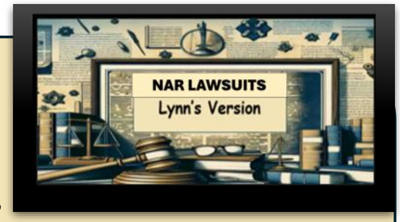
How Did We Get Here – Seller Side Lawsuits

NAR and many large brokerages were sued in major class action antitrust lawsuits over claims that it, along with some of its members, engaged in practices that artificially inflated real estate commissions, violating U.S. antitrust laws. The most impactful of these were the Moehrl and Sitzer/Burnett cases.

Key Reasons NAR® Was Sued

- **Inflated Commission Rates:** The lawsuit alleged that NAR's rules, specifically related to the MLS, created a system where home sellers were required to offer a commission to the buyer's agent, commonly referred to 'cooperation and compensation' policy, which was then bundled into the overall home sale price. This allegedly led to sellers paying higher fees and buyers paying inflated commission rates, as home buyers had little room to negotiate lower rates.
- **Lack of Transparency:** The lawsuit highlighted that the way commissions were structured under the NAR's policies made it difficult for buyers and sellers to understand how much they were actually paying. This lack of transparency allegedly contributed to inflated fees and left consumers unaware of their ability to negotiate commissions.

- **Collusion Between Brokers:** It was claimed that the NAR® and its member brokers colluded to maintain high commissions, in violation of antitrust laws. By enforcing these rules, the NAR® and its members allegedly created a "cartel-like" environment, limiting consumers' ability to seek out lower commissions or negotiate terms that might reduce costs.



- NAR never told us how much to charge sellers
- NAR never told us how much to pay to cooperating brokerages
- Unfortunately, too many brokerages and agents took the 'easy way out' when it came to explaining compensation by saying things like:
  - "that's what most listing brokerages charge the sellers"
  - "if we don't pay the co-op brokerage at least XX% - nobody will show your listing.
  - "Bob and Betty Byers – I do all of this for you – and it doesn't cost you anything.

None of this was OK – all of this led to the class-action lawsuits!

What the "Post–Sitzer/Burnett Verdict" Settlement Changed

The original Sitzer-Burnett class action suit where NAR and the other defendants did not prevail, allowed for $1.785 billion by the jury which could have been increased to over $5.36 billion if the judge issued a final judgment (the Sherman Antitrust Act allows for treble damages.

Key Settlement Terms

- **Release of Liability**: Over one million NAR members, member-owned brokerages, state and local REALTOR® associations, and association-owned MLSs are released from liability for residential transactions with volumes of $2 billion or below in 2022.
- **MLS Compensation Changes**: All offers of compensation are prohibited on MLS platforms. MLS participants must negotiate compensation directly with clients, and MLS systems will remove compensation fields by August 17, 2024
- **Written Buyer Representation Agreements**: MLS participants providing services to buyers must obtain a written agreement outlining the agent's role, responsibilities, and compensation. This ensures transparency and clarifies services for buyers
- **Settlement Payment**: NAR will pay $418 million over approximately four years as part of the settlement

Practical impact on transactions

- Compensation becomes a visible negotiation point earlier especially in buyer consults and offer strategy
- Sellers can still offer concessions (including buyer closing cost concessions) even though the MLS can't carry a buyer-broker compensation offer.

What Does Louisiana License Law Say?

https://legis.la.gov/Legis/ViewDocument.aspx?d=1382711

Buyer agreement means a written document signed by a broker and a buyer detailing the services to be provided by the broker to the buyer.

The following terms shall mean (for purposes of this Paragraph and R.S. 37:1448.4)

- Buyer means a person who utilizes the services of a real estate licensee in connection with the purchase, or the submission of an offer to purchase, a home, or who utilizes, or seeks to utilize, the services of a real estate licensee with the objective or purported objective or entering into a contract to purchase a home.
- Home means residential real property consisting of one or not more than four residential dwelling units, which are buildings or structures each of which is occupied or intended for occupancy as a single-family residence.

§1448.4. Buyer Agreements; requirements; authorization; exceptions

A buyer agreement shall be executed between a broker and a buyer.

- The buyer agreement shall include the amount of compensation payable to the broker or the manner in which the amount of compensation payable to the broker shall be calculated.
- The buyer agreement may provide that sources of broker compensation may include but is not limited to funds from a buyer, a seller, a listing agent, or any combination thereof.

This Section shall not apply in the following circumstances:

- When a person leases or seeks to lease a home with the services of a real estate licensee.
- When a person leases or purchases, or seeks to lease or purchase, property other than a home with the services of a real estate licensee.

Why We Should Follow Settlement Guidelines – The Ramifications

If a real estate agent does not comply with the National Association of Realtors' (NAR) settlement agreement, the consequences can be serious and potentially career-ending.

Legal and Regulatory Penalties

The NAR settlement was a court-approved resolution to antitrust and consumer protection claims. Violating its terms can be treated as a breach of the settlement, which may lead to fines, sanctions, or even criminal liability if the violation is part of a pattern of misconduct. In antitrust cases, repeated or willful violations can result in civil penalties, injunctive relief, or criminal prosecution.

RISK If it becomes known by the courts or by the DOJ that we are not complying with the Settlement, the Settlement could be rescinded and the original fines under the Sitzer/Burnett suit could be invoked.

License Suspension or Revocation

If an agent is found to have violated the settlement, it is probably also a violation of license law - the state can suspend or revoke their license. This would immediately end their ability to represent clients and could result in loss of brokerage affiliation.

RISK License law requires a written agreement – you face discipline, fine or loss of license.

Financial and Business Losses

A signed buyer rep agreement formalizes the agent's fiduciary or statutory duty to act in the buyer's best interests, outlines the scope of services, and clarifies compensation. The settlement emphasizes clear disclosure of how the brokerage will be paid - whether a flat fee, hourly rate, or percentage of the sale price - and that no other compensation (e.g., from listing brokers or sellers) will be received . This transparency builds trust and reduces the risk of anti-trust claims.

RISK

- How will you get paid if there is no offer of compensation from the seller or listing brokerage and you do not have any compensation in your buyer agreement?
- Misrepresenting the availability of a property because you 'don't like' the compensation being offered by the seller or listing brokerage is a violation of your duties to your buyer client.
- Collecting any compensation over what is in your agreement is a violation of the Settlement.

Building Professional Credibility

Complying with the settlement shows buyers that the agent is professional, transparent, and committed to fair practices. This can make buyers more likely to sign the agreement and trust the agent's guidance .

RISK Asking the buyer to sign an agreement that commits to compensation after you have shown them the property they want to purchase usually 'backfires' on you – they feel mislead and often then go to another agent for the purchase.

- ✓ Note here – you would not be 'procuring cause' of this sale!!!!!

Bottom line

Failing to follow the NAR settlement agreement is not just a procedural error - it can result in legal action, license loss, financial penalties, and career disruption.

Following settlement guidelines is essential because it ensures compliance with the MLS rules, protects both buyer and agent, avoids legal and disciplinary risks, and strengthens the buyer-rep relationship from the start of the transaction.

Agents should treat these rules as binding obligations and ensure all transactions comply with the settlement's requirements to avoid severe consequences.

Changes to the Code and MLS Handbook

In June of 2025 the Code of Ethics was changed to remove any reference to mandatory offer of compensation, offers of compensation in the MLS, and brokerage-to-brokerage compensation sharing. These changes took effect in June – rationale – the Code had some issues that were being misconstrued and causing problems due to the Settlement.

In November of 2025, additional revisions were made to the Code to eliminate the disclosure of variable rate compensation, clarification of who must be told when a brokerage is being paid by both the buyer and the seller and cleared up some procuring cause issues.

Why so many changes in the Code of Ethics?

When it comes to NAR's Code of Ethics, the primary focus of the proposed changes is updating the Code so it better aligns with the business practice changes mandated in NAR's commission lawsuit settlement agreement.

2026 Changes to NAR Code of Ethics

Provision	Before	Now
Article 7 – Compensation from more than one party	Required disclosure and informed consent to all parties when receiving compensation from more than one party.	Disclosure and informed consent required only to the REALTOR's own client(s). No obligation to disclose compensation structure to the other side.
SOP 1-12 – Listing contract explanations	Explain cooperation policy, compensation offered to other brokers, buyer agent representation even if paid by listing side, and potential dual agency.	Clarifies compensation is fully negotiable and not set by law; must explain cooperation policy, compensation options, buyer agent representation, and potential dual agency.
SOP 1-13 – Buyer/tenant agreement explanations	Explain cooperation policy, compensation to be paid, possible additional compensation, dual agency, and confidentiality limits.	Clarifies compensation is fully negotiable and not set by law; explain what client pays, possible additional compensation, dual agency, and confidentiality limitations.

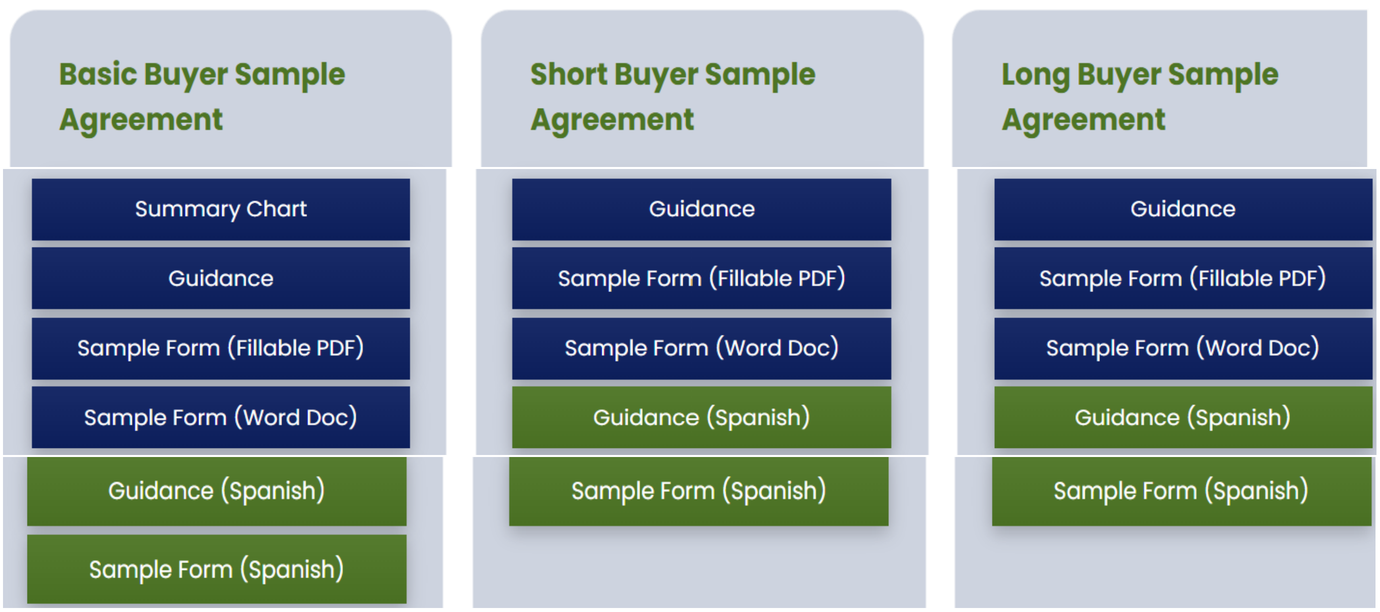
SOP 3-1 – Establishing cooperation terms	Listing REALTOR establishes cooperation terms; cooperating broker must confirm compensation before accepting cooperation.	REALTORS work with sellers to establish cooperation terms; cooperating broker may not assume compensation
SOP 3-2 – Changing cooperative compensation	Changes must be communicated before offer submission; cannot change after offer submitted.	Must communicate changes as soon as practical; cannot unilaterally change after offer submitted; cannot delay or withhold offer while negotiating compensation.

SOP 9-2 – Explaining contracts	Focused primarily on electronic transactions.	Applies to all contract formation; must explain nature and terms before agreement regardless of format.
SOP 10-1 – Neighborhood information and steering	Prohibited volunteering racial, religious, or ethnic composition; addressed panic selling.	Clarifies steering prohibition and maintains restrictions on volunteering protected demographic composition.
SOP 10-5 – Harassment and discriminatory behavior	Applied to all activities, including personal conduct.	Limited to professional capacity and real estate-related activities; defines harassment more specifically.

SOP 16-11 – Buyer rep on unlisted property	Must disclose buyer representation at first contact and request anticipated compensation.	Same requirements; clarifies parties retain ability to negotiate compensation.
SOP 16-16 – Using offer terms to pressure for compensation	Prohibited using offer terms to pressure listing broker for compensation changes.	Deleted; concept incorporated into SOP 3-2.
SOP 3-4 – Variable rate commission disclosure	Required disclosure of variable rate arrangements and differential amounts.	Deleted.

SOP 17-4 – Arbitration limits	Awards based on customary interpretation; not tied explicitly to written agreement cap.	Arbitration award may not exceed amount authorized in written buyer representation agreement.
SOP 1-16 – Listing broker/property manager access	Shall not provide access on terms other than those established by owner.	Expanded to prohibit using or permitting use of property on terms other than those authorized by owner.
SOP 3-9 – Cooperating broker access	Shall not provide access on terms other than those established by owner.	Prohibits accessing or using property, or enabling others to do so, except as authorized by owner.

Which Buyer Rep Agreement Will You Use?



- Your Brokerage Company may have their own agreement.
- Regardless of which one you use – you will need to do a Buyer Consultation session and articulate your value proposition prior to asking them to sign it!

🤝 Meet - 📖 Understand - ✍️ Sign - 🏡 Search

Why Buyers Often Want to "Just Look at Houses"

Today's buyers often begin their home search long before they contact a real estate professional. With online listings, virtual tours, mobile apps, and real estate websites available 24 hours a day, many buyers feel they've already done most of the work. By the time they reach out to an agent, they may believe the next logical step is simply to start touring homes. From their perspective, meeting first can feel like an unnecessary delay standing between them and the houses they want to see.

In reality, buyers usually aren't trying to avoid working with an agent. They're trying to move quickly, avoid feeling pressured, and determine whether they're ready to buy. Many don't realize that a consultation before the first showing can actually save time, reduce frustration, and help them make better decisions. It gives the agent an opportunity to understand the buyer's goals, explain the buying process, discuss representation, identify potential challenges, and ensure everyone is prepared before investing time touring properties.

The most successful buyer consultations don't feel like a sales presentation. They feel like a planning session. When buyers understand that the meeting is designed to make their home search more efficient, protect their interests, and help them avoid costly mistakes, they're far more likely to see the value of meeting first instead of "just looking at houses."

Must Have Tools For Your Toolbox

All of this is to help you articulate your unique value proposition to your buyer client. Asking them to sign an Exclusive Buyer Agreement with you before you let them know what it is you do for them is probably not going to happen.

Your Toolbox

Neutralizing Concerns

We need to neutralize the possibility of buyer concerns without emphasizing them. This section is intended to do that – to give you some ideas on how to set the stage for your buyer counseling session. These are 'talking points' – you should develop your own dialog from these suggestions.

Start with the "Why" (Before the Paper)

Before we look at homes, I want to explain how I work and how I protect you in this process. My job is to represent *only* your interests — not the seller's, not the transaction, and not my own convenience.

Reframe the Agreement as Protection, Not a Lock-In

This agreement doesn't trap you. It clearly outlines what you can expect from me and what I'm accountable for. It also ensures you have a professional in your corner from start to finish.

Optional add-on:

If at any point you feel I'm not delivering, we can talk about that. This is about commitment to the process, not handcuffs.

Explain What Buyers Actually Get (In Outcomes)

When you hire me, you're getting more than home tours. I'm responsible for helping you:

- Avoid overpaying
- Identify risks before you're under contract
- Structure an offer that actually gets accepted
- Negotiate repairs, credits, and terms that protect you
- Manage deadlines so the deal closes smoothly

Address the Money Conversation Calmly

Sometimes the seller proactively offers compensation to the buyer brokerage, but most do not. They simply agree to negotiate the buy-side compensation in the purchase agreement. This buyer agreement simply clarifies how my work is paid so there are no surprises later.

My goal is always to structure the transaction in a way that works best for you, including how compensation is handled.

Tackle the 'Why Sign Before We See Homes?' Question

Once I start advising you, negotiating on your behalf, and giving strategic guidance, I'm legally and ethically working as your representative. This agreement allows me to fully do that - right from the beginning.

Normalize Exclusivity

Just like you'd want your attorney or financial advisor focused on your interests, this agreement ensures I'm fully committed to you and you're not getting partial representation.

Set Expectations Without Sounding Defensive

This also helps avoid confusion if you see a home at an open house or online you can always contact me and I will make arrangements to view it or do my due diligence prior to you putting in an offer. It ensures you always have someone looking out for your interests, no matter how you find the property.

Close with Reassurance

My goal is to earn your trust every step of the way. This agreement just puts in writing the level of service and advocacy you deserve.

Don't Give It All Away

Before they have given you written permission to represent them, you want to tell them what you will be doing for them – your value proposition – without giving away all your tools and techniques. Here is an example:

Obviously, purchasing a home is a legally complex procedure and my job is to help you navigate through all of it. As I mentioned, my commitment to you is to help you find the right property – at the right price – negotiate the best terms for you and get your transaction to the closing table.

Once you give me written permission to represent you, I have a sample sales contract for you as well as a Home Buying Process Checklist, and an Estimate of Expenses. Let's look at an overview of the process and the expenses you will encounter and how I can help you accomplish your goals.

Create Your Unique Value Proposition and Articulate It!

What Is a Value Proposition

A value proposition explains **why someone should choose you** by clearly stating:

- Who you serve
- What problem you solve
- How you solve it better than alternatives
- The outcome or benefit the client receives

Core Elements of a Strong Value Proposition

- **Target Audience:** Who this is for
- **Client Problem or Need:** What they are struggling with or trying to achieve
- **Your Solution:** What you do and how you help

- **Differentiator:** Why your approach is better, safer, faster, or more effective
- **Outcome or Benefit:** The tangible or emotional result for the client

Buyer-Focused Value Propositions

- Guidance through a complex and emotional purchase
- Protection from costly contract and inspection mistakes
- Skilled negotiation to secure better price and terms
- Access to properties, market data, and professional networks
- Transaction management that keeps the deal moving to closing

Client benefit: Confidence, clarity, and reduced risk in the largest financial decision of their life

10 Steps to Creating Your Unique Value Proposition – Page 17

Compensation Conversations

Buyer-Brokerage Compensation: Old Way vs. New Way

Here's a simple comparison of how buyer-broker compensation worked in the past versus how it works now. Use this chart to understand the differences and what they mean for you and your clients.

Old Way (Past Practice)	New Way (Current Practice)	What It Means for You
Seller offered buyer's brokerage compensation upfront in MLS listing.	No preset offer of compensation in MLS.	Compensation is decided in the purchase offer, not advertised in advance.
All listings showed a co-op fee, often similar across the board.	Each buyer and seller negotiate compensation individually.	Fees no longer 'standard' they vary and are openly negotiated.
Buyers didn't always see how their agent was paid.	Buyers must have a written agreement with their agent about compensation.	More transparency for buyers they know what their agent is earning.
Agents were sometimes accused of steering buyers to higher-paying listings.	Agent pay is not preset, so agents are focused on the best home fit for the client.	Buyers can feel confident their agent is working in their best interest.
Sellers gave up negotiating power by advertising compensation early.	Sellers keep control and respond to requests as part of an offer.	More flexibility for sellers - they decide case by case.

Bottom line: Buyers decide how much their Realtor is worth to them in the transaction and either pay it themselves, put it in the contract or allow it to be paid by the Listing Brokerage – the sellers decide if the NET PRICE works for them. This change brings more transparency, flexibility, and fairness for everyone.

There are two sides to compensation – each side has a different set of responsibilities that contribute to the amount being charged and received.

In most marketplaces and in most price ranges, the buyers do not have the extra cash at the closing to pay their brokerage compensation - compensation is paid from the agreed upon price the buyer is willing to pay, and the seller is willing to accept.

Sellers Choices

Listing Agreement Example

> **Buyer's Brokerage Compensation**: Seller acknowledges that buyer's brokerage compensation is not set by law and is fully negotiable. Seller and buyer will negotiate buyer's brokerage compensation through the purchase contract. The buyer's brokerage compensation, if any, will be paid at Closing. Any buyer's brokerage compensation paid by Seller is in addition to Listing Brokerage Compensation.

SAMPLE

Listing Brokerage no longer chooses the compensation the buyer brokerage receives – it is negotiated in the contract with everything else. The seller can choose to offer – or not proactively offer compensation – it makes no difference. Buyer always has the right to request it in the offer.

- Compensation for both sides should have been included in sellers' net sheet
- Clear understanding of sales price if paying compensation – probable sales price if not
- Focus on the bottom line – not on how much the buyer brokerage compensation is.
- If the 'bottom-line' doesn't work for the seller
    - They should counter a price at which it does work
- At no time should the listing agent be making comments on
    - how much the buyer brokerage is receiving
    - whether it's more or less than what the list-side is getting
    - comments on 'how high' the buy-side fee is

Comments like this are inappropriate and a violation of the Code and a license law violation since we are not supposed to interfere with the written agreements of other brokerages.

Buyer Agents

- The compensation the buyer asks the seller to pay is whatever is in your buyer rep agreement.
- If seller counters by saying they will not pay the compensation – or all of what the buyer is asking for - the buyer can calculate what that would be and counter back to the seller.
- There is no time where the listing agent needs to see – nor should see – your buyer rep agreement.

Buyers Options

Buyer agents have the responsibility to explain to the buyers how compensation is paid and must negotiate their fees and have a buyer rep agreement signed prior to showing property.

Buyers have choices on how they can facilitate the payment of the compensation.

Option 1: They can pay it themselves

Option 2: They can ask seller to pay it all – in the sales contract

Option 3: They can request the seller pay some as part of the sales contract – they pay the rest.

Buyers have choices regarding the viewing of property.

Option 1: They can request that the Buyer Agent contact each Listing Agent prior to showing to verify the offer of compensation covers what they have agreed to in their Buyer Rep Agreement

- This is not the buyer's best option – and should be encouraged to NOT DO IT – they could be missing out on a good property – and for the right price the seller will pay it!
- High probability seller is not proactively offering compensation – the listing agent will tell you the seller is prepared to pay buyer brokerage and buyer should include it in their offer.
- DOES NOT MEAN THE SELLER WON'T PAY IT – JUST NOT 'OFFERING' IT!!!!
- Buyer agent informs buyer
- Buyer uses sales contract to ensure obligation to Buyer Brokerage is covered by the seller

Option #2: Buyer Views All Properties That Fit Their Needs

- Buyer agent educates buyer on how compensation can be handled
- Buyer – and agent don't care what seller is offering
- Buyer agent shows all properties the buyer wants to see
- Buyers are in total control of what they see and do
- Could call after showing and prior to writing if you want
- Buyer uses sales contract to ask seller to pay compensation

If you haven't done so already – show the buyer the provision in the sales contract that they can use to ask seller to pay buy-side compensation

LOUISIANA RESIDENTIAL AGREEMENT TO BUY OR SELL

BUYER BROKER COMPENSATION: At closing, SELLER shall pay ______________________ ($0 / 0% of Sale Price if left blank) toward the BUYER's Broker's compensation. The parties agree that they shall disburse or direct the disbursement of such payment at closing to the BUYER's Broker from the SELLER's sale proceeds. The parties further agree that any party obligated to pay broker compensation shall provide additional funds at closing if the sale proceeds are insufficient to make such payment. The parties acknowledge that broker compensation is not set by law and is fully negotiable. The BUYER's Broker shall not receive compensation for real estate activity from any source that exceeds the amount or rate agreed upon in a buyer agreement required by La. R.S. 37:1448.4.

Think About It – What difference Does It Make What – or IF – Sellers Are Proactively Offering?

- You have a buyer rep agreement – a contract – with the buyer who committed to compensation
- They will be asking the seller to pay it – they know what they are responsible for paying.
- You can only receive what's in your buyer rep agreement regardless of what they are offering.

Think About It – Do You Really Want to Know?

- No accusation we showed because of offer of compensation rather than buyers' interests
- Why do we need to know?
- As long as the seller or listing brokerage covers what the buyer has agreed to – we're done!
- What the listing brokerage does with the difference is none of the buyer agent's business

Buyer Agent Caution

Buyer says they only want to see properties where the seller is compensating the buyer brokerage at the level that is in the Buyer Rep agreement.

- Refusing to show a property or misrepresenting its availability because YOU do not like the offer of compensation is a license law violation, a Code of Ethics violation and a violation of the NAR settlement.
- Discouraging your buyer from viewing property where the compensation does not cover what's in your agreement is NOT in your client's best interest and could be a violation of your agency duties.
- Recommend you get something in writing – an email will suffice – if the buyer chooses to NOT look at a property because of the offer of compensation.

Reminder About Compensation

The buy-side cannot accept compensation in excess of what is in the buyer rep agreement.

It's not just the settlement that controls that – you signed a contract and now you want to renegotiate to make more money – WHY?

- Did you – or will you - do more than what you had promised when you and the buyer agreed to your compensation?
- Who's paying for that? – Your Buyer is!!!! They could ask the seller to pay that extra to them in closing costs or other concessions – why do you think you should get it???
- What makes you think the buyer will agree with this? They do not have to – it's a CONTRACT!

How does it look to the buyers? You agreed to work at a specific price and now you want more – for absolutely no reason other than 'you can get it'.

Would you list a property without discussing compensation?

- When are you going to discuss compensation if you show first and get things signed after?
- How are you going to explain compensation if you make it look like all you do is open doors?
- You are worth every penny of your fee – you just need to know how to show the buyers what you do – much as you have done all these years with the sellers!

HANDLING OBJECTIONS - TALKING POINTS

Why do I have to sign an exclusive agreement to work with just you?

Not only do the MLS rules and license law require a written agreement, I am committed to spending a significant amount of time and expertise to represent you as a real estate professional and help you achieve your real estate dreams. I cannot make that commitment to you unless I know that we have an exclusive mutual agreement to work together. Like all professionals — attorneys, accountants — even your auto mechanic — we require a signed agreement before we can begin.

When a Buyer Asks "Why Should I Sign This?"

This agreement does two things for you. First, it guarantees that I'm legally obligated to represent your interests, not the seller's. That means I'm negotiating for you, not just facilitating the deal. Second, it puts a cap on my compensation so there are no surprises. It's actually more protection for you than the old system, where commission rates were set behind the scenes and you had no say in the process.

What if I want to work with another Realtor at the same time?

Whether you are hiring a contractor, going to a dentist or doctor or having work done on your car – you choose the best person you can – but only one.

A buyer agreement is now required — any other buyer's agent you may want to work with is going to ask for an agreement as well.

And as I mentioned earlier – you are better off working with one agent with whom you've signed an agreement than a bunch of agents who have a lesser obligation and commitment to finding you the right home, at the right price and committing the time and energy it takes in this market to get the job done right for you"

Another agent never asked me to sign anything

I cannot be responsible for other agents who choose to violate our license laws and the multi-billion-dollar settlement that was reached because of the way business used to be done by some – probably the same agents who today are not using agreements. I follow the rules, laws and beyond that I believe that written agreements benefit both parties – I give you total representation just as I do to the other clients I represent.

Will you do it for less? Isn't that a bit high? Another agent said they'd do it for XX%

1. On the rare occasion I am asked this question, it is usually because I haven't explained completely to your satisfaction what it is I do for you in the purchase of the largest single investment you will probably make in your life. Is there anything else you need me to cover?
2. If an agent easily agrees to lower their compensation, how great will they be at negotiating for you when it's time to make an offer? In most cases – like with other things in life - you get what you pay for.
3. My compensation reflects the work required to help you find the right home, at the right price and terms, negotiate everything for you and get you to the closing table. I do more than just open doors

and write an offer. I am responsible for guiding you through contracts, negotiations, timelines and compliance. I take that responsibility seriously and will not take shortcuts. I understand the question, however, based on the level of representation I give my clients, this is the fee I am comfortable with.

4. Not every agent is the right fit for every buyer. I may not be the best match for what you are looking for. I wish you the best in your home search. THE END!!!!

I really don't feel comfortable signing an agreement like this.

I've discovered that if someone is uncertain about signing this agreement, it usually means either I haven't answered their questions to their satisfaction or there is something they haven't told me. Is there something that concerns you that I haven't covered today?

What if I want out?

Option #1: If at any time you are unhappy with the service I am providing, you can feel free to discuss it with my Managing Broker and they will be happy to appoint a different agent to you who can meet your needs. I will say, however, that I have never had a buyer who was so dissatisfied with my services that my manager had to step in. I think you will be more than satisfied with my services.

Option #2: If at any time you are unhappy with the service I provide, all I ask is that you give me 10 days to correct things to your satisfaction. If, after that time you are still not satisfied, I will release you from the agreement, up until we have a signed purchase agreement with a seller.

What if I do not want a lengthy contract?

Data shows us that in the current market, the time it is taking for most of the buyers to find the property they are looking for is longer because of the low inventory. This agreement is for the average length of time the buyers are taking. It's in both our interests to feel comfortable that we are focusing on the end goal in a way that doesn't put any pressure on either of us to get the job done 'in a hurry'.

After you have handled their objections, all that is left is the close:

After our discussion today, and based on what I've committed to do for you, do you feel comfortable and confident that I am the agent to represent you? Great, let's get the agreement signed so I can begin to work for you.

If they disagree and do not want to sign:

OK. I can respect that. It means we will not be able to work together, but I wish you all the best. If, at some point, you change your mind, please feel free to come back – we would love the opportunity to work with you.

In the event they do not want to sign, leave the door open for them to return.

Signing a buyer rep agreement may be new to them.

The next agent they talk to is going to ask them to sign an agreement as well, causing them to rethink the process and potentially come back to you.

10 Steps to Building Your Unique Value Proposition

1. Determine the consumer's problem

Determining the consumer's problem is important because it can help you figure out which of your services can provide them with an effective solution and market yourself more efficiently. Though for many, the problem they want to overcome is selling or buying property as quickly as possible, for others it's making the process of real estate transactions as simple as possible.

Once you determine the consumer's main problem, it's beneficial to mention how you can solve it in your value proposition. For example, if you know a majority of your customers prefer fast service, your value proposition might say: *"Using my knowledge of the market, I can help you find the right home at the right price by reaching out beyond just the MLS and the Internet for available properties."*

2. Conduct market research

Conducting market research can help you understand how your real estate skills differ from your competitors. Knowing how you differ can help you sell your services to customers and show them what makes your business unique. For example, if you sold a few houses or properties on your own before getting an in-depth knowledge of real estate, you can mention that experience to consumers to demonstrate your natural talent for the career.

For example, you can specialize in first-time homebuyers. If that's your sphere of buyer clients then that should be your niche. You can work with lenders who also specialize in getting mortgages for first-time buyers, with home inspectors who know how to do the inspection that is thorough but doesn't scare them, have strategies that assist them in being the chosen one!

3. Focus on client benefits

Clients like to know how your real estate services are going to benefit them and their current real estate goals. Focusing on how your services can help customers immediately establishes a professional relationship and allows clients to feel like you're dedicated to their needs. When writing your value proposition, it's important to use language that focuses on the customers and their current challenges or objectives. For example, a phrase in your value proposition might say, *"Once I learn about your real estate goals or dreams, I dedicate my time to make them a reality."*

4. Connect with clients personally

Connecting with clients personally can make the business interaction more human and encourage them to use your services. If a customer doesn't need your services right away but they might in the future, connecting with them on a personal level can also help them remember you and your services for a later time. For example, if you mention on your value proposition that you grew up in the neighborhood where you're currently selling property, it can help them feel an instant connection with you and your real estate business.

It's also possible to connect with customers by demonstrating empathy to their current situation. When you connect with customers through empathy, it can help them feel understood and heard, motivating them to come to you with their problems or challenges. For example, if you mention a brief story in your value proposition about a time you struggled to buy your own property before becoming a real estate agent, clients might feel you can understand their challenges better than other agents.

5. Describe achievements

Describing your achievements can help customers understand that you have the skill set and expertise to sell their home or help them find a new one. It can also help differentiate you from competing real estate agents. For example, if you're one of the few agents in the area who has experience selling residential and commercial property, mentioning that on your value proposition can help demonstrate your wide range of experience to attract the attention of more customers.

When listing your achievements, it's also beneficial to use numbers and percentages to effectively demonstrate your occupational competence. Showing your experience through quantifiable facts can help customers clearly understand your skills and how you can benefit their real estate endeavors. For example, when listing your achievements, you might say, *"My last three buyers were all successful in getting the property they wanted in a multiple offer situation – and for two of them they weren't the highest offer."*

6. Can you claim neighborhood expertise?

For many clients, longevity and spending a lifetime in a neighborhood or area is the biggest indicator of skill level, but there are lots of other ways you can express how well you know an area.

Maybe you've worked with the developer who's built all the new construction and can talk at length about their skills and home pricing. Perhaps you moved into the neighborhood a few years ago as a parent and know a lot about the different schools because you did your research back then. Consider *where* you've helped buyers and sellers transact and think about whether you have any local knowledge or insight that has given you (and them) an edge.

7. Evaluate problems you've solved

This is the heart of your Unique Value Proposition. When you can explain what challenges you've helped buyers and sellers overcome in a succinct way, it expresses your value in an undeniable way. Even if you weren't able to segment your buyers or the types of properties in a meaningful way, if you can identify a problem or two that you're adept at solving, your UVP has practically written itself.

As you're browsing your transactions, think about the big snags that emerged in each of them.

- Did you help several buyers find a home in their budget (and win a bid) in a blazing-hot market?
- Did multiple homes appraise below the asking price?
- Are you uncannily talented at finding high-net-worth buyers for luxury homes?
- Have you worked with several long-distance buyers who wanted in on the vacation rental market?

You might also want to pull out some data for this step.

- Are your days on market for listed homes shorter than other agents in the area, and can you quantify that?
- What percentage of offers that you write for your buyers are accepted?

When you've collected a list of problems you've solved, it's time to start figuring out *why* you're amazing at solving them.

8. What other skills do you bring to the table?

Former careers, hobbies, or special interests can all be a selling point for potential clients who are trusting you with an enormous life decision and transaction.

It could be your love of your pets, time spent flying small planes on the weekends, or almost a decade spent wrangling stocks on Wall Street for demanding clients, but there's probably something about you that makes you extra-effective at your job.

9. Putting it all together

Now that you've got all the building blocks, it's time to create your UVP! A simple structure to start with might look something like this:

"I help (type of buyer/seller) with (big challenge) around (type of property) and am successful because (expertise/skill set)."

Here are a few examples of how you'd express it when it's all finished.

- I help first time home buyers find the perfect home to begin to build their family and their wealth in a low-inventory market through my diligence and connections in the area.
- I specialize in helping sellers sell their current home and find their new home as seamlessly as possible by utilizing my connections and training to coordinate the closings.
- I help enlisted military members and veterans sell their house 30% faster, which I can do because of my personal experience serving ten years in the military.
- I help sellers for luxury properties find qualified high-net-worth buyers so their house isn't sitting on the market for years; I'm really successful because I have a strong network of those buyers.
- I help people with dreams of living off-the-grid find land and figure out the best way to build; I've been doing land sales for years, and I know contractors who specialize in those types of homes.
- I help homeowners who want to create a steady income stream and who aren't quite ready to sell put together lease-option agreements for rent-to-own buyers, and then I help them manage those agreements; I'm currently working with 20 homes that have renters intent on buying when their leases are up.
- I've helped a lot of retirees find their dream home on the waterfront in Bay Views Park, where I grew up, so I know the subdivisions there like the back of my hand; they were all being built while I was riding my bike around as a kid.
- I'm a new construction specialist who's familiar with all of the different developers and their subdivisions in the area and can detail who cuts corners and whose work is always above-and-beyond when it comes to new builds.

Remember, you might want to craft more than one UVP. If you know the person you're talking to owns a house in the neighborhood where you're known as a total rockstar, then you might want to pitch them your seller-focused UVP, for example.

10. Redo your value proposition every few months

Redoing your proposition every few months can help you make sure that you're efficiently and effectively reminding customers about your services. It's also a great way to update clients about your achievements and current real estate expertise. After you send customers your first value proposition, make a note of your changes in clientele over the following months. If you've gained a considerable number of new clients, consider using the same value proposition for a little longer. However, if your clientele hasn't increased, it might be beneficial to try a new tactic with your value proposition.

You also have to change your value proposition if the market changes. What you do for buyers when it is a buyers' market is very different from what is done in a seller's market. They still need you – but for different reasons and your value proposition needs to address what the market is as well as what your client's need.

A few other suggestions:

1. Lean on your brokerage to start
   a. Why did you choose to go with the brokerage you are with?
   b. Do they have extensive training?
   c. What have you learned there?
   d. Does your managing broker back you up when needed?
   e. Do you have a mentor to go to?
   f. Is your managing broker ok with you giving your buyers their card and information to contact if they need anything?
   g. What is the philosophy of the brokerage – clients come first – what is their mission statement – their vision – use that to create your own

2. What education have you done beyond just getting licensed?
   a. You took ABR – why – what did you learn – why is that important to the buyers?
   b. What else have you done?

3. Utilize all the tools at your disposal
   a. Your MLS analytical tool
   b. Put your buyers in the MLS prospecting program
   c. Use the hotsheet

Why Meet Before We Tour?

10 Reasons a Buyer Consultation Sets You Up for Success

A buyer consultation before looking at homes is one of the most valuable steps in the entire home buying process. It helps both the buyer and the agent work together more efficiently while reducing surprises, misunderstandings, and costly mistakes. Here are the key reasons buyers should meet with their agent before the home search begins:

1. Clarify Your Goals

Every buyer has different priorities. A consultation helps identify:

- Must-have features
- Nice-to-have features
- Deal breakers
- Preferred neighborhoods
- Lifestyle needs
- Future plans that may affect the purchase

- Your home search becomes more focused and productive.

2. Understand Your Buying Power

Before falling in love with a home, buyers should understand:

- Comfortable monthly payment
- Estimated purchase price
- Down payment options
- Closing costs
- Available financing programs
- Importance of mortgage pre-approval

- Gives you the parameters of where you feel comfortable with your payments

3. Learn the Buying Process

Purchasing a home involves many steps that most buyers have never experienced.

The consultation explains:

- Timeline from search to closing
- How offers work
- Earnest money
- Inspections
- Appraisals
- Financing
- Closing procedures

- You will know what to expect in every step of this important financial and life-style decision you are about to make.

4. Understand Agency and Representation

Buying a home is likely one of the largest financial decisions a person will make.

The consultation explains:

- What representation means
- The agent's fiduciary duties
- Buyer representation agreements
- Confidentiality
- How your agent advocates for you

- You will understand who is representing you – and who is not and why that matters.
- Outlines what your agent can – and will – be doing during your home search.

5. Save Time

Without a plan, buyers often:

- View homes outside their budget
- Visit homes that don't meet their needs
- Miss better opportunities
- Become overwhelmed

Benefit: A targeted search saves time and reduces frustration.

6. Prepare to Compete

In many markets, desirable homes sell quickly.

Meeting first allows buyers to:

- Have financing ready
- Understand offer strategies
- Know what paperwork may be needed
- Be prepared to act quickly

Benefit: Buyers are ready when the right home becomes available.

7. Discuss Current Market Conditions

The consultation helps buyers understand:

- Local pricing trends
- Inventory levels
- Competition
- Interest rates
- Negotiating opportunities

Benefit: Buyers make informed decisions based on today's market instead of outdated information.

8. Avoid Costly Mistakes

An experienced agent helps buyers recognize potential issues involving:

- Property condition
- Location concerns
- Resale value
- Financing challenges
- Contract deadlines

Benefit: Buyers reduce risk and make better long-term decisions.

9. Build a Trusted Relationship

Buying a home works best as a partnership.

The consultation gives buyers an opportunity to:

- Ask questions
- Share concerns
- Understand communication expectations
- Learn how their agent works

Benefit: Better communication leads to a smoother transaction.

10. Create a Personalized Home Search Strategy

No two buyers are alike.

Together, the buyer and agent can create a customized plan that includes:

- Search criteria
- Showing schedule
- Communication preferences
- Offer strategy
- Next steps

Benefit: The process becomes organized, efficient, and tailored to the buyer's goals.

Buyer Takeaway

The consultation isn't about paperwork. It's about preparation.

Taking time to meet with your agent before touring homes helps you:

- Buy with confidence
- Save time
- Avoid costly mistakes
- Understand the process
- Make stronger offers
- Find the right home more efficiently

The best home buying experiences begin with a conversation, not a showing.

Buyer Counseling – Determining Buyer Needs

Name ____

Current Address ____

Phone Numbers ____

E-Mail Addresses ____

Family size ____

Pets ____

Current Living Situation:

☐ Own ☐ Rent ☐ Must sell to purchase

Desired possession date ________________________

Ideal Price ____

Ideal Monthly Payment ____

☐ Preapproved With whom ____

Ideal Location ____

____

Special requirements ☐ day care facilities ☐ sports/recreation programs

☐ cultural activities ☐ school requirements ☐ other

Notes: ____

____

# of Bedrooms _________ Minimum _____

# of Bathrooms ________ Minimum _____

Garage ____

Lot Size ____

Age of home ____

Style ____

☐ Eat-in kitchen	☐ Fenced yard	☐ Boat parking
☐ Separate dining room	☐ Deck/patio	☐ Camper
☐ Fireplace	☐ Pool	☐ Bus/truck
☐ Family room	☐ Waterfront	☐ Additional vehicles
☐ Finished basement	☐ Home office	☐ ____________________
☐ _________________	☐ __________	☐ _____________________

How long have you been looking for a home?____

How have you been doing that? ____

Have any agents shown you homes? ____

What was your relationship with them? ____

What did you sign with them? ____

Did you see anything you liked? ____

What kept you from buying it? ____

Describe your ideal home ____

____

____

If we couldn't find everything in the price range and location you want, what would you consider compromising on? ____

____

Are there some items that are 'deal breakers' – things you won't compromise on? ___________

____

Tell me a little about your lifestyle, how you entertain _____________________________________

____

Is there anything else I need to know - any other requirements or needs? __________________

____

BUYER PRIORITIES WORKSHEET

Let's Define What Matters Most

The more clarity we have on what's truly important to you, the better I can help you find the **right home**—and the **right fit** for your life.

MUST HAVES

Features you absolutely need in order to move forward.

1. ____________
2. ____________
3. ____________
4. ____________
5. ____________
6. ____________
7. ____________
8. ____________

LIKE TO HAVE

Nice bonuses that would be great, but are not required.

1. ____________
2. ____________
3. ____________
4. ____________
5. ____________
6. ____________
7. ____________
8. ____________

DEAL BREAKERS

Things that create major hesitation or likely kill interest.

1. ____________
2. ____________
3. ____________
4. ____________
5. ____________
6. ____________
7. ____________
8. ____________

DO NOT WANT

Absolute hard no items you want to avoid at all costs.

1. ____________
2. ____________
3. ____________
4. ____________
5. ____________
6. ____________
7. ____________
8. ____________

HOW TO USE THIS WORKSHEET

These are non-negotiable items. If a home doesn't have these, it's not the right fit.

Examples:

- Minimum # of bedrooms
- Specific school district
- First-floor primary suite
- Garage
- Certain price range
- Commute under 30 min
- Yard for pets
- Move-in ready condition

These are desirable features that would enhance your lifestyle but are not essential.

Examples:

- Finished basement
- Updated kitchen
- Home office
- Fireplace
- Pool
- Walkable neighborhood
- Large pantry
- Extra guest room

These factors may cause you to walk away or offer significantly less.

Examples:

- Busy road
- Major repairs needed
- HOA restrictions
- Small bedrooms
- Limited storage
- Odd layout
- Flood zone
- High property taxes

These are things you definitely do not want under any circumstance.

Examples:

- No stairs
- No condos
- No fixer-uppers
- No shared driveway
- No septic
- No homes backing to commercial property
- No homes without central air

BUYER REFLECTION QUESTIONS

What matters most if compromises become necessary?

____

____

____

Which items are emotional preferences versus practical needs?

____

____

____

What would make you excited enough to act quickly?

____

____

____

Pro Tip: Your priorities may evolve as you see more homes. We'll revisit and adjust this list together along the way!

YOUR DREAM HOME. *Our Plan*

Home Buying Process Checklist

The Buying Process has many different steps. It is not simply a matter of finding a house, writing an offer on it, taking money to closing and moving in. There are many important steps that must be followed to ensure we have a successful transaction. These are the major steps (there are plenty more!). It is my job to orchestrate the successful execution of each of these steps.

1. First Appointment – Buyer Counseling

- ☐ Discuss goals, needs, and timeline.
- ☐ Explain agency relationships and sign Buyer Representation Agreement.
- ☐ Review buying process and possible expenses
- ☐ Provide Buyer's Guide / Pledge of Performance.

2. Financing Preparation

- ☐ Meet with lender for pre-approval.
- ☐ Review credit, down payment options, and closing costs.
- ☐ Obtain pre-approval letter.
- ☐ Discuss affordability and monthly payment goals.

3. Home Search

- ☐ Define wants vs. needs.
- ☐ Set up MLS search & alerts.
- ☐ Preview listings online.
- ☐ Schedule showings.
- ☐ Reassess criteria as needed.

4. Selecting a Home

- ☐ Tour properties (use showing checklist).
- ☐ Compare homes (location, condition, amenities, resale potential).
- ☐ Review market data (CMA – Comparative Market Analysis).
- ☐ Identify deal-breakers vs. compromises.

5. Making an Offer

- ☐ Determine offer price with CMA support.
- ☐ Connect buyer with recommended service providers
- ☐ Discuss earnest money, contingencies, closing date, possession.
- ☐ Write and submit offer.
- ☐ Negotiate terms with seller.

6. Under Contract

☐ Deposit earnest money.
☐ Schedule home inspection(s).
☐ Review inspection report; negotiate repairs/credits.
☐ Order additional inspections if needed (radon, well, septic, pests).
☐ Attorney review period – if needed
☐ Lender orders appraisal.

7. Final Loan & Title Work

☐ Provide updated documents to lender.
☐ Clear underwriting conditions.
☐ Secure homeowners' insurance.
☐ Title search and commitment issued.
☐ Address any appraisal or title issues.

8. Pre-Closing Preparation

☐ Review Closing Disclosure (CD) at least 3 business days before closing (TRID rule).
☐ Confirm funds needed for closing.
☐ Schedule final walk-through (check condition, agreed repairs, inclusions).
☐ Transfer utilities and services.

9. Closing Day

☐ Attend closing at title company/attorney's office.
☐ Sign mortgage, note, deed, and closing documents.
☐ Provide funds for closing (cashier's check or wire).
☐ Receive keys after funding. 🎉

10. Post-Closing

☐ Move in and change locks.
☐ File homestead exemption (if applicable).
☐ Keep copies of closing documents.
☐ Stay in touch with agent for future needs/referrals.

YOUR HOME JOURNEY: BUYER SHOWING PROTOCOL

A SIMPLE PROCESS THAT HELPS US FIND THE RIGHT HOME FOR YOU.

1 BEFORE THE FIRST SHOWING

- We'll understand your needs, wants & must-haves.
- We'll review the timeline, budget & next steps.
- You'll receive guidance on financing & pre-approval.
- We'll explain the showing process from start to finish.
- We'll set communication preferences.

Preparation today leads to better showings & stronger results.

2 SCHEDULE STRATEGICALLY

- We'll match showings to your goals.
- We'll consider location, time & traffic.
- We'll confirm property details & availability.
- We'll share a planned itinerary.
- We'll leave time for discussion.

Great showings start with smart planning.

3 DURING THE SHOWING

- We'll arrive on time and prepared.
- We'll highlight features that matter most.
- We'll point out pros AND potential.
- We'll answer your questions honestly.
- We'll take notes and encourage feedback.

Our job is to inform, not influence.

4 PROTECT YOU

- We respect the seller's privacy & property.
- We never share your motivation.
- We keep conversations confidential.
- We avoid discussing price or terms.
- We follow all showing instructions.

Professionalism protects relationships and opportunities.

5 AFTER THE SHOWING

- We'll review the property together.
- We'll discuss likes, dislikes & questions.
- We'll compare to your goals & criteria.
- We'll provide market insight & value.
- We'll update our plan based on your needs.

Debriefing turns showings into smart decisions.

6 FOLLOW UP & NEXT STEPS

- We'll follow up promptly.
- We'll share additional information.
- We'll schedule 2nd showings if needed.
- We'll identify next best steps.
- We'll stay consistent and communicate.

Consistent follow-up keeps momentum and builds trust.

7 SHOWING DO'S & DON'TS

DO	WHY IT MATTERS	DON'T
Do arrive on time and be prepared.	Shows respect and sets the tone.	Don't be late or unprepared.
Do share your thoughts openly.	Uncovers real needs and priorities.	Don't dominate the conversation.
Do focus on value, not just features.	Helps you see the bigger picture.	Don't make negative comments about the property or area.
Do keep your motivation private.	Protects your position.	Don't disclose price limits or personal circumstances.
Do follow all showing instructions.	Maintains trust with other agents and homeowners.	Don't go off-limits or take photos unless allowed.
Do share feedback after each showing.	Improves decisions and saves time.	Don't skip the debrief – even if you "didn't love it."

8 HOW YOU CAN GET THE MOST OUT OF SHOWINGS

- Focus on the home, not the staging.
- Ask questions and take notes.
- Think long-term, not just emotional.
- Compare to your criteria, not others.
- Trust the process and your agent.

"My job is to give you the information. Your job is to decide what's best for you."

9 WHAT TO LOOK FOR

- **LOCATION** Neighborhood, convenience, future value
- **CONDITION** Structure, systems, age, maintenance
- **LAYOUT** Flow, space & functionality
- **STORAGE** Closets, garage, basement, built-ins
- **NATURAL LIGHT** Windows, orientation, brightness
- **POTENTIAL** Updates, additions, resale, long-term opportunity

10 COMMON BUYER MISTAKES

- Falling in love too quickly
- Comparing every home to the last one
- Focusing on small details
- Ignoring future resale potential
- Making decisions based on emotion
- Skipping the debrief with your agent

A good process prevents costly mistakes.

11 REMEMBER: YOU'RE NOT ALONE

I'm here to guide you, protect your interests, and help you find the right home – not just any home.

The right home is worth the right process.

WE'RE MORE THAN AN AGENT. *We're your partner.*

WE PREPARE We plan ahead so you feel confident.

WE GUIDE We provide honest answers and expert advice.

WE PROTECT We protect your interests every step of the way.

Questions? I'm always here for you!

UNDERSTANDING AGENCY:
A CLEAR GUIDE FOR AGENTS & CLIENTS

KNOW YOUR ROLE. PROTECT YOUR CLIENT. BUILD TRUST.

1 WHAT IS AGENCY?

Agency is a legal relationship where one person (the agent) agrees to act on behalf of another (the client) in a real estate transaction.

The agent works for YOU, not the other party.

2 WHY IT MATTERS

- Ensures loyalty
- Creates trust
- Clarifies responsibilities
- Helps avoid conflicts of interest

Clear agency = A smoother transaction.

3 AGENT RESPONSIBILITIES

- Obey your instructions
- Promote your best interests
- Keep your information confidential
- Disclose material facts
- Account for all funds
- Handle the transaction with care and skill

Your agent's duty is to YOU.

4 CLIENT RESPONSIBILITIES

- Be honest and upfront
- Share important information
- Make decisions in a timely manner
- Communicate your goals and concerns
- Review and understand documents

A successful relationship is a two-way street.

5 TYPES OF AGENCY

- Seller Agency
- Buyer Agency
- Dual Agency (Limited)
- Designated Agency (Limited)

Different relationships. Different obligations. Know the difference!

6 TYPES OF AGENCY EXPLAINED

	SELLER AGENCY	BUYER AGENCY	DUAL AGENCY (LIMITED)	DESIGNATED AGENCY (LIMITED)
Who the Agent Represents	The seller only	The buyer only	Both buyer & seller (with informed consent)	Each agent represents a different party in the same office
Loyalty	Full loyalty to the seller	Full loyalty to the buyer	Limited loyalty to both parties	Loyal to their assigned client
Confidentiality	Keeps seller's information confidential	Keeps buyer's information confidential	Cannot share confidential info between parties	Keeps client info confidential, not shared with other
Can Negotiate	Negotiates on behalf of the seller	Negotiates on behalf of the buyer	Limited – cannot advocate for one over the other	May not advocate against their own client
Best For	Sellers who want full representation and advocacy.	Buyers who want full representation and advocacy.	Situations where both parties agree to limited representation.	Brokerages using separate agents for each side.

7 HOW TO EXPLAIN AGENCY TO YOUR CLIENTS

- I work for YOU. My job is to look out for your best interests.
- I will keep your information private and confidential.
- I will give you the facts, not opinions, so you can make the best decisions.
- I will negotiate on your behalf and guide you every step of the way.

"My goal is to open doors for you… not for someone else."

8 KEY TAKEAWAY

AGENCY IS ABOUT TRUST, LOYALTY & CLARITY.

- Know your role.
- Protect your client.
- Build lasting relationships.

When clients understand agency, they feel confident working with you.

9 QUESTIONS TO ASK YOUR CLIENTS

- What are your goals in this transaction?
- Do you understand that I represent YOU?
- Is there anything you want me to know?
- Do you have any questions about our relationship?

10 AGENT REMINDERS

- Review agency disclosures early.
- Communicate clearly and often.
- Document everything.
- Always act with integrity and professionalism.

EDUCATED CLIENTS MAKE BETTER DECISIONS. EMPOWERED AGENTS CREATE BETTER OUTCOMES.

Agency relationships are governed by state law. Always follow your state's specific requirements and use written agreements.

WE'RE MORE THAN AGENTS. WE'RE ADVISORS, ADVOCATES & PARTNERS IN YOUR SUCCESS.

Your clients. Your business. Our mission.

QUESTIONS? Let's talk about how we can help your business grow!

Buyer Pledge of Performance

Because I am committed to preparing you to be an educated buyer, I will:

. . . give you the most vital information on available homes
. . . keep you aware of changes in the real estate market
. . . arrange a tour of areas, schools and key points of interest
. . . provide neighborhood information on municipal services, schools, churches, etc.
. . . check applicable zoning and building restrictions
. . . disclose all known facts about properties I show you
. . . collect pertinent data on values, taxes, utility costs, etc.
. . . point out strengths and weaknesses of all properties you choose to view
. . . explain forms, contracts, escrow and settlement procedures
. . . discuss loan qualification and processing

Because I am committed to helping you save time, I will:

. . . provide ready access to all MLS listed properties
. . . assist you as requested on all unlisted properties
. . . help you select for viewing only those homes that fit your needs
. . . show you homes only in the price range most suited to your finances
. . . provide you a list of qualified attorneys, home inspectors or other service providers
. . . arrange for necessary property inspections

Because I am committed to helping you find the best value, I will:

. . . prepare studies of property values in chosen areas
. . . perform a market analysis on chosen properties
. . . discuss financing alternatives
. . . see that you get a complete estimate of all costs involved
. . . advise on offers on properties
. . . write and present your purchase agreement to the seller
. . . negotiate on your behalf

Because I am committed to you – my buyer – I will do all of this – plus:

. . . keep your personal information confidential at all times
. . . stay in touch with you from the day you start your search until the day you move in
. . . coordinate all aspects of the sale and closing
. . . receive compensation only when we have a successfully closed transaction

Agent Signature ____

BUYER REPRESENTATION AGREEMENT AT A GLANCE

🤝 Meet - 📖 Understand - ✍️ Sign - 🏠 Search

Understanding Your Agreement Before You Sign

This guide summarizes the major sections of your Buyer Representation Agreement. It is designed to help you understand what each section covers before signing the agreement. Your agent should go through the agreement thoroughly and answer any questions you may have.

This guide summarizes the Buyer Representation Agreement and is intended for educational purposes only. It does not replace the agreement itself. Buyers should carefully read the agreement and ask questions about any provision they do not understand.

	What It Covers	Why This Matters
1	Right to Represent	Defines where and how your agent represents you.
2	Exclusive Representation	Protects you from accidentally creating obligations with multiple agents.
3	Agency Relationship	Explains the professional duties your agent owes you.
4	Designated Agent	Identifies who will personally assist you throughout your purchase.
5	Definitions	Makes important contract terms easier to understand.
6	Broker's Responsibilities	Explains the services your agent provides from start to finish.
7	Buyer's Responsibilities	Shows how we'll work together for a successful transaction.
8	Broker Compensation	Explains how compensation is determined and that it is negotiable.
9	Responsibility for Compensation	Clarifies who is responsible for payment if another party does not pay all of it.
10	Compensation Earned	Explains when compensation becomes due under the agreement.
11	Agreement Term	Tells you when representation begins and ends.
12	Termination	Explains how the agreement may be ended if circumstances change.

	What It Covers	Why This Matters
13	Dual Agency	Describes how representation works if the brokerage represents both parties.
14	Service Providers	Encourages using inspectors, lenders, attorneys, surveyors, and other experts.
15	Acknowledgments	Clarifies expectations and responsibilities.
16	Broker Liability	Explains the limits of your broker's responsibilities.
17	General Contract Provisions	Covers standard legal terms found in most contracts.
18	Electronic Communications	Allows electronic signatures and electronic delivery of documents.
19	Fair Housing	Confirms everyone is entitled to fair and equal treatment.
20	Audio & Video Recording	Reminds buyers that conversations during showings may be recorded.
21	Wire Fraud Warning	Helps protect your money from cybercriminals.
22	Other Terms	Allows additional terms unique to your transaction.

Before You Sign - Your Buyer Representation Checklist

☐ I understand how my agent represents me.

☐ I understand how compensation works.

☐ I know how long this agreement lasts.

☐ I understand my responsibilities.

☐ I have asked all of my questions.

☐ I am comfortable moving forward.

Risks of Signing More Than One Exclusive Buyer Rep Agreement

You could owe compensation to more than one brokerage

An exclusive buyer representation agreement is a legally binding contract. If you sign exclusive agreements with multiple brokerages covering the same time period and purchase a home, more than one brokerage could claim they are entitled to compensation.

Possible result: You could become involved in a dispute over who should be paid, and, in some situations, you could be responsible for paying compensation yourself.

You could accidentally breach a contract.

When you sign an exclusive agreement, you are generally agreeing to work only with that brokerage during the term of the agreement.

Working with another agent without properly ending the first agreement may violate your contract.

You may become involved in a legal dispute.

If two brokerages believe they both represented you, they may dispute which one earned the compensation.

Even if the brokerages resolve the issue between themselves, you could be asked to provide documents, emails, or testimony about what happened.

It creates confusion

If several agents are showing you homes, writing offers, or contacting listing agents on your behalf:

- Sellers may receive multiple inquiries.
- Agents may duplicate work.
- Important information may not be communicated consistently.
- You may receive conflicting advice.

You may lose the benefits of a strong working relationship.

An exclusive agreement allows your agent to invest their time, expertise, and resources in helping you without wondering whether another agent will complete the transaction.

That often leads to:

- Better communication
- Better advice
- More thorough property research
- Stronger negotiation
- Better coordination throughout the transaction

One Trusted Representative.

Choosing one real estate professional helps ensure everyone understands who represents you, reduces the risk of contract disputes, and allows your agent to focus on helping you achieve the best possible outcome.

Knowledge has very little value until it is put into action

Throughout this course, you've been introduced to new ideas, strategies, and best practices that can help you better serve your clients and strengthen your business. But simply attending a class doesn't create results. Results come from taking what you've learned and intentionally putting it into practice.

As you complete this action plan, avoid writing broad goals such as "communicate better" or "use buyer consultations." Instead, identify specific actions you'll take, when you'll begin, and how you'll measure success. The more specific your plan, the more likely you are to follow through. Small, intentional changes implemented consistently often produce the biggest improvements over time.

Remember, you don't have to implement everything at once. Choose the ideas that will have the greatest impact on your business, commit to taking the first step, and begin building momentum one action at a time.

- Small improvements made consistently can create extraordinary results.
- Don't try to change everything at once.
- Choose one idea. Take one action.
- Give yourself time to implement it and see results before you 'give up'.
- Build one new habit – it will be come your new strategic approach to the business.

KNOWLEDGE INTO ACTION

Don't Leave With Notes. Leave With a Plan.

"The value of today's class is not measured by what you learned.
It's measured by what you do next."

My Top Three Takeaways

What are the three ideas that will have the greatest impact on my business?

① ______________________________

② ______________________________

③ ______________________________

My First Commitment

Which one will I implement first?

____

Why is this the right place to start?

____

My Action Plan

Specifically, what will I do?

____

____

____

____

When will I begin?

____

When will I complete it?

____

My Success Team

Who will help keep me accountable?

☐ Managing Broker

☐ Coach

☐ Accountability Partner

☐ Fellow Agent

☐ Friend or Family Member

☐ Other _________________

Resources I'll Need

☐ Time

☐ Technology

☐ Training

☐ Marketing Materials

☐ Financial Investment

☐ Other _________________

How Will I Measure Success?

I'll know this change is working when...

☐ I use it consistently

☐ My confidence increases

☐ Clients notice the difference

☐ I save time

☐ I reduce risk

☐ My business grows.

☐ Other

Now do the same for the other two strategies

Knowledge creates opportunities. Action creates results.