

5 Reasons to Sign a Buyer Representation Agreement



If you've started looking for a home—and a real estate professional to assist you—your buyer's representative may ask you to sign a Buyer Representation Agreement. What is this form?

A Buyer Representation Agreement is a legal document that formalizes your working relationship with a particular buyer's representative, detailing which services you are entitled to receive and what your buyer's rep expects from you in return.

While the document uses formal language, homebuyers should view it as an essential and helpful tool for clarifying expectations, developing mutual loyalty, and most importantly, elevating the services you will receive.

Why should you sign a Buyer Representation Agreement?

1. RECEIVE A HIGHER LEVEL OF SERVICE

If you've formalized an agency relationship with a buyer's rep, you can expect to be treated like a client instead of a customer. What's the difference? Clients are entitled to superior services, in comparison to customers.

While the details vary from state to state, and from one buyer's agent to another, you can generally assume that being a client means that you've formed a fiduciary, or agency, relationship with your buyer's rep.

2. GET MORE WITHOUT PAYING MORE

Oftentimes, the listing broker has already agreed to pay the buyer's broker compensation. If they haven't, you can ask your buyer's rep to avoid showing you any such homes. Or you can still view the home, knowing that you'll need to factor your broker's commission into any offer you may write.

3. AVOID MISUNDERSTANDINGS

A Buyer Representation Agreement clarifies expectations, helping you understand what you should and should not expect from your buyer's rep, and what they will expect from you, which usually centers on loyalty.

4. AGENCY RELATIONSHIPS ARE BASED ON MUTUAL CONSENT

While most representation agreements specify a time period, they can be terminated early if both parties consent. Most buyer's reps are willing to end the agreement early if the working relationship isn't going well. Some buyer's reps also offer representation agreements for as little as one day, for the purpose of giving both parties a brief trial period to explore working together.

5. STRENGTH AS A TEAM

When you and your buyer's rep work together within a formalized agency relationship, you have created a team dedicated to helping you achieve the best possible home-buying experience.

The Accredited Buyer's Representative (ABR®) designation is awarded by the Real Estate Buyer's Agent Council (REBAC), a subsidiary of the National Association of REALTORS® (NAR).

To learn more about REBAC and access various home buyer resources, please visit [REBAC.net](https://www.rebac.net).

