

# YOUR PATH TO HOMEOWNERSHIP



COLDWELL BANKER REALTY



# INVALUABLE SUPPORT

As a Coldwell Banker® affiliated buyer's agent, I offer five essentials throughout the home-buying transaction:

## **1. EXPERT GUIDANCE**

Expertise and insight throughout the complex real estate process, helping you make informed decisions every step of the way.

## **2. LOCAL MARKET KNOWLEDGE**

I have the tools and training to serve as your local market guide, with information about trends, pricing and availability to give you a competitive edge in finding the perfect home.

## **3. NEGOTIATION SKILLS**

You will have a fearless advocate who is armed with data and negotiation strategies that can lead to winning deals and seamless resolutions.

## **4. TIME-SAVING CONVENIENCE**

Offers, showings and more will be coordinated on your behalf, along with connections to necessary vendors like mortgage professionals.

## **5. PEACE OF MIND**

Feel confident knowing that a professional is there to help you navigate any unexpected challenges or delays.

# CHOOSING A TRUSTED ADVISOR

**When you choose me to represent you, you'll have someone by your side every step of the way, giving you the insights and information you need to have confidence in your decision.**

## **After our initial consultation, I will:**

- Help you establish your budget and connect you with a reputable lender to get pre-approved for a mortgage
- Discuss your needs and goals, and plan your property search criteria
- Provide coaching on the best time to buy
- Agree upon the parameters of our working relationship

## **Once the criteria and budget are established, I will:**

- Coordinate showings for properties that meet your needs and explain/negotiate features
- Keep you informed of new properties that come on the market that would interest you
- Help you understand the market data for any properties of interest
- Work with you until you find the right home

## **When we've found your dream home, I will:**

- Assist in determining your offer, including developing a multiple-offer strategy
- Review and discuss details of the seller's disclosure
- Apply my expertise in negotiating the offer and contract terms in your best interests
- Facilitate the home inspection and resolution process
- Offer information on reliable contractors and service providers
- Prepare you for closing and the associated costs
- Provide clear and constant communication to keep you updated on the progress of your transaction



# THE POWER OF PRE-APPROVAL

The first step in any home search is finding out exactly how much home you can afford and securing the financing to make the purchase. While you can get a rough estimate through pre-qualification, taking the extra step to obtain pre-approval will give you some added advantages. Pre-approval helps you:

- Understand your financial condition
- Know exactly how much home you can afford
- Strengthen your purchasing power when making an offer

When you find a home you love and are ready to make an offer, your mortgage pre-approval lets the seller know that you're serious and fully prepared to buy their home, putting you in a stronger position than other potential buyers.

Some of the documents your lender may request to get the pre-approval process started:

## **Income**

- Current pay stubs, usually for last two months
- W-2s or 1099s, usually for last two years
- Tax returns, usually for last two years

## **Assets**

- Bank statements
- Investments/brokerage firm statements
- Net worth of businesses owned (if applicable)

## **Debts (if applicable)**

- Credit card statements
- Loan statements
- Alimony/child support payments



# MAKING AN OFFER

There are many factors that influence the market value of a home. The following can help give you insights and empower you to make a competitive offer you're comfortable with. I will work with you on a strategy to obtain the most advantageous terms and acceptable pricing for you and your budget.

Issues to consider:

- How long has the home been on the market?
- Has the property had any price changes?
- Has the property been under agreement previously?
- Are there multiple offers on the property?
- What is being included in the sale or what may be negotiated as part of the sale?
- What are the market conditions in the area or neighborhood, like "list to sale price ratio?"
- Is the seller offering an assumable loan or seller financing that may be more favorable for you?

I will help you set purchase price parameters by providing you with a comparable market analysis (CMA) comparing the home, its price and its features to other similar homes in the area that are on the market or have recently sold.

Then I will present the offer to the seller through the listing agent and help you navigate the seller's response, whether it be to accept, reject or counter your offer, which starts the negotiations process.

# CLOSING ON YOUR HOME - AND BEYOND

Once your offer has been accepted, the closing process begins. Here are some of the typical steps involved.

## **HOME INSPECTION**

If material defects are identified or repairs recommended in the home inspection report, I'll assist you with any contractually agreed-upon remedies and further negotiations with the sellers, if needed.

## **TITLE SEARCH PROCESS**

I will help direct you to the appropriate title insurance officer should you have any concerns related to the information identified in the owner's title report. This report confirms who the owner of the property is and if there are any encumbrances attached to the property.

## **RESIDENTIAL APPRAISAL REPORT**

Your lender will order an appraisal report to assess the value of the home as part of the standard lending mortgage process.

## **FINAL WALK-THROUGH**

I will schedule and coordinate your final walk-through inspection of the property before closing so you may confirm that the home is in the same condition as when you signed the purchase agreement and to confirm any agreed-upon repairs were completed.

## **CLOSING COSTS**

In addition to your down payment and deposit, there are a variety of costs involved in your home closing. I will help you determine an appropriate deposit, explain the various costs you may be responsible for and review your itemized settlement statement prior to closing.

## **AND BEYOND**

Beyond closing, wherever your homeownership journey takes you, I want you to know that I am here to help you and keep you up to date on how changing market conditions are affecting your home's value.

# BUYER'S AGENT COMPENSATION

Please note that my commission is not set by law and is fully negotiable. Below are examples of how a buyer's agent can be paid.

## HOW A BUYER'S AGENT IS PAID IF SELLER OFFERS COMPENSATION

- 1** The seller of the property you are interested in has offered to pay the commission due from you to me. In this case, your commission obligation to me will be paid by the seller out of funds you pay to purchase the home.
- 2** The seller has offered compensation consisting of only a portion of the commission you have agreed to pay to me. This would require you to pay any portion of my commission not paid by the seller. Alternatively, you could condition your purchase offer on the seller paying all of your commission obligation to me.

## HOW A BUYER'S AGENT IS PAID IF SELLER DOES NOT OFFER COMPENSATION

- 1** The seller has not offered to pay any portion of the commission you would owe to me. In this case, you can include a requirement that the seller pay your commission obligation as part of the offer you make on the property.
- 2** The seller will not agree to pay a buyer's agent commission, in which case you would be responsible for my commission.



## BUYER REPRESENTATION AGREEMENT

\_\_\_\_\_ (“**Buyer**”) grants to **COLDWELL BANKER REALTY** (“**Broker**”) the exclusive (or, ☐ if checked, non-exclusive) right to serve as Buyer’s real estate broker to assist Buyer in purchasing real property described in Paragraph 2 (the “**Property**”). Buyer represents that they do not have any active exclusive representation agreement(s) with any other broker(s), and also represents that they do not have any non-exclusive representation agreement(s) with any other broker(s) except the following:

\_\_\_\_\_

Buyer and Broker are at times referred to herein as the “**Parties**.” The Parties agree to the following terms as follows:

1. **TERM.** This Buyer Representation Agreement (“**Agreement**”) begins on the date that all Parties have signed it. It terminates at 11:59 p.m. on \_\_\_\_\_ (not to exceed 90 days), unless earlier terminated in writing at any time by a Broker branch manager or by a writing signed by Buyer and a Broker branch manager (“**Term**”).
  2. **TYPE OF PROPERTY.** Broker will search for property based on the following criteria, such as location(s), price range(s), address(es), type(s), feature(s), other specified criteria:
- \_\_\_\_\_

\_\_\_\_\_ or any property in which there was Broker Involvement.

3. **BUYER AGREEMENT TO AGENCY RELATIONSHIPS AND BROKER’S OBLIGATIONS.** The Parties agree that Broker shall diligently exercise reasonable skill and care to achieve the purpose of this Agreement; and that Broker’s and its Agent’s respective duties to Buyer are limited to the descriptions within the “Disclosure Regarding Real Estate Agency Relationship” form. Broker is not a qualified professional concerning technical advice regarding the physical condition of Property, nor in other areas of expertise, such as the law, insurance, tax, financing, construction, surveying, structural conditions, septic, well, hazardous materials, or engineering. Buyer shall hire and rely upon qualified professionals for such matters.

**NOTICE: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the Parties and others.**

4. **COMMISSION TO BROKER.** Buyer agrees to pay Broker commission for each Property purchase contract formed during the Term as follows at the close of escrow : \_\_\_\_% of the total purchase price (the “**Commission**”), less any amounts Broker receives for Buyer brokerage services from another, as discussed below, regardless of whether the transaction closes escrow during or after the Term. Broker will not accept compensation on the Buyer’s side of the transaction from any source that exceeds the amount of the Commission.

If Buyer agrees to exclusive representation, Broker is entitled to the Commission if Buyer purchases Property with or without Broker Involvement. If Buyer agrees to non-exclusive representation, Broker is entitled to the Commission for any Property purchase for which there was Broker Involvement, which includes any of the following: (i) if Broker showed the Property to Buyer in person or virtually; (ii) if Broker submitted Buyer’s offer; (iii) if Broker reviewed Property-specific documents for Buyer’s benefit; (iv) if Broker assisted Buyer in analyzing the Property; or (v) if Broker communicated with seller or seller’s agent about the Property on Buyer’s behalf (“**Broker Involvement**”).

### 5. COMMISSION PAYMENTS FROM OTHERS:

- A. At Buyer’s request, Broker will conduct a Property search for Buyer based on the criteria Buyer provides such as price range, property type, features, location, and any additional criteria Buyer specifies. Some properties that are available for sale may include an offer of compensation (“**Compensation Offer**”) to a buyer’s broker (including Broker) from the seller (“**Seller**”) or listing broker (“**Listing Broker**”). A Compensation Offer may be lower, higher, or the same as the amount of the Commission that Buyer agrees to pay Broker in paragraph 4. Other properties may not include any

Compensation Offer. Broker will inform Buyer of all properties that reasonably meet Buyer's search criteria regardless of any Compensation Offer, which will provide Buyer with the greatest exposure to available properties, but which may also obligate Buyer to pay all or part of the Commission at closing. If Buyer purchases a Property, the amount that Buyer owes Broker under paragraph 4 will be reduced by the amount of the Compensation Offer received by Broker on Buyer's side of the transaction.

- B. Buyer has the option, in Buyer's sole discretion, to direct Broker not to show Properties that have a Compensation Offer of less than \_\_\_\_%. If Buyer selects that option, initial here: \_\_\_\_\_ / \_\_\_\_\_ [Buyer Initials]
- C. Buyer may include a provision in Buyer's purchase offer to the Seller that requests the Seller pay to Broker an amount that reduces or eliminates Buyer's obligation to pay the Commission in paragraph 4, which Seller may or may not accept. If accepted by the Seller, Buyer should ensure that the Seller's agreement to pay any part of the Commission is included in Buyer's final sales contract. Any Seller concessions that are offered and agreed to will first be applied to payment of any unpaid portion of the Commission at closing. If Broker is also the Listing Broker, the list side commission paid to Broker by the Seller is not included in calculating the amount paid to Broker at closing for purposes of reducing any portion of the Commission that Buyer may owe to Broker.
- D. If Broker provides, within 7 days of any termination of this Agreement, written notice to Buyer of a Property for which there was Broker Involvement, then if Buyer purchases any such Property within \_\_\_\_ days (not to exceed 180 days) of any termination of this Agreement, then Buyer will owe Broker the Commission.

6. **ESCROW INSTRUCTIONS.** Buyer irrevocably assigns to Broker the Commission from Buyer's funds in escrow. This Agreement may be submitted to escrow as instructions to compensate Broker. Buyer agrees to execute and deliver any further escrow instructions irrevocably assigning Broker's compensation out of escrow.
7. **MODIFICATION OR AMENDMENT.** The Parties further agree that this Agreement may only be modified or amended in writing signed by all Parties.
8. **COUNTERPARTS AND ELECTRONIC TRANSMISSION.** This Agreement, any modification, and any related addenda may be executed in two or more counterparts, with any electronic signatures and/or electronic transmissions of a signed copy of this Agreement being considered the same as an original/delivery of an original.
9. **ENTIRE AGREEMENT.** Except for any obligation Buyer may have under any written limited services representation agreement with Broker (which survives), this Agreement, any related addenda, and the above-referenced form documents contain the complete and exclusive statement of its terms; any and all prior or contemporaneous discussions, negotiations, representations, and agreements of the Parties, whether oral, written, expressed, or implied, that are not expressly set forth herein, are merged into and superseded by the terms of this Agreement.

**The Parties acknowledge that they have read and agree to all of the above terms and conditions.** If a legally authorized signer for Buyer, that person represents and warrants that all individuals who must sign on behalf of Buyer have signed this Agreement and have authority to bind Buyer to the terms of this Agreement.

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer Telephone Number: \_\_\_\_\_ Address: \_\_\_\_\_

Coldwell Banker Realty: \_\_\_\_\_ Date: \_\_\_\_\_

Sales Associate License No.: \_\_\_\_\_

## HOME-BUYING

## Checklist



Buying a home is one of life's biggest investments and most exciting adventures. A **Coldwell Banker Realty** affiliated agent is equipped to be your trusted advisor in the process, guiding you every step of the way to make your experience smooth and successful.

**1. PARTNER WITH A  
COLDWELL BANKER REALTY  
AFFILIATED AGENT**

- ☐ Receive guidance throughout the buying process
- ☐ Get a competitive edge from local market knowledge
- ☐ Learn about available properties
- ☐ Gain access to off-market homes
- ☐ Benefit from time-saving convenience
- ☐ Get support through closing – and beyond

**2. CREATE YOUR  
WISH LIST**

- ☐ Visit [coldwellbankerhomes.com](https://coldwellbankerhomes.com) and your agent's site to check available properties
- ☐ Differentiate between wants and must-haves
- ☐ Determine preferred home style
- ☐ Consider amenities, schools, transportation, recreation
- ☐ Schedule home tours through your agent
- ☐ Choose the home you want to purchase

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### 3. ORGANIZE FINANCING

- ❑ Create a timeline and budget
- ❑ Get mortgage pre-approval
- ❑ Check your credit report
- ❑ Determine type of mortgage
- ❑ Shop for best rates and programs
- ❑ Understand what you can afford



### 4. OFFER & DUE DILIGENCE

- ❑ Review contract terms and conditions
- ❑ Negotiate the purchase price
- ❑ Select title provider
- ❑ Have earnest money ready
- ❑ Decide on a closing date
- ❑ Sign the offer
- ❑ Deliver the escrow check



### 5. UNDER CONTRACT

- ❑ Finalize the home loan
- ❑ Select insurance and warranty providers
- ❑ Send proof of home insurance to lender
- ❑ Discuss any discovered zoning changes, liens, easements or other restrictions with your agent
- ❑ Schedule home inspection and resolve any issues
- ❑ Determine required repairs and/or upgrades
- ❑ Use the inspection report to renegotiate, if necessary
- ❑ Receive information from agent about local, reliable contractors and service providers
- ❑ Receive property disclosure from seller
- ❑ Lender to order appraisal report
- ❑ Title search can ensure there are no claims against the property's title
- ❑ Pinpoint move-in date
- ❑ Certify funds for closing



### 6. PREPARE FOR CLOSING

- ❑ Schedule and book a moving company
- ❑ Notify post office, bank, etc. of new address
- ❑ Transfer and/or activate utilities
- ❑ Schedule and attend final walk-through
- ❑ Have all funds ready for closing
- ❑ Confirm wire instructions with title company



### 7. CLOSING DAY

- ❑ Bring identification to closing
- ❑ Show proof of paid home insurance policy
- ❑ Review list of adjustments
- ❑ Sign the mortgage and all required paperwork
- ❑ Receive signed deed from seller
- ❑ Confirm all funds were transferred for closing costs and down payment
- ❑ **Enjoy your new home!**



**COLDWELL BANKER REALTY**

## FAQ on the New Real Estate Commission Rules (2024)

Laury Team

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### 1. Has the current buying process changed with the new rules?

No, for now, the process remains largely business as usual. While the rules have officially changed, most buyers and sellers continue to follow similar practices as before, with sellers offering compensation to buyer's agents to make their listings more attractive.

### 2. Why do sellers still pay commission in most of cases?

Sellers continue to pay the buyer's agent commission in most cases because not doing so can put their listing at a disadvantage, akin to "firing your best sales team". Buyer's agents play a crucial role in bringing clients to the table. Furthermore, commission fees are part of the overall selling costs, along with staging, repairs, and marketing. Like these other expenses, commission fees are tax-deductible in the case of capital gain.

### 3. Can buyers try to make a deal without an agent?

Yes, buyers can attempt to make a deal without an agent, but most prefer representation. Going through a real estate transaction without an agent is like "going into a courtroom without a lawyer" or worse—asking the opposing party if you can use their lawyer. Additionally, some sellers request that their realtor not represent buyers to avoid conflicts of interest. Sellers can also refuse offers from unrepresented buyers to avoid potential legal issues down the line.

### 4. How do these changes affect first-time buyers?

First-time buyers might face additional challenges due to the new rules. Since they could now be responsible for paying their agent's commission, this might stretch their budget even further, especially those already struggling to gather a down payment. However, many first-time buyers still prefer having professional representation to avoid costly mistakes in such a complex process.

### 5. Are banks open to adding the buyer's agent commission into the loan to make it less cash-demanding for first-time buyers?

Yes, some banks are open to incorporating the buyer's agent commission into the loan, making the home purchase less cash-demanding. This allows buyers to avoid paying the commission upfront in cash, particularly helpful for first-time buyers who might be tight on funds for both a down payment and agent fees. However, it's important to note that this would increase the overall loan amount, which could affect the buyer's monthly payments and interest over time. It's crucial to discuss this option with both your real estate agent and lender to understand the full financial impact.

# LET'S GET STARTED

**Your home-buying needs are one of a kind. Using the unmatched resources of Coldwell Banker Realty, I will develop a custom plan to:**

**Provide you with powerful, personal service**

**Assist you in finding the right home and help you negotiate the best possible price and terms for it**

**Close the sale in a smooth, timely manner**

Finding and purchasing a home is a detailed process that demands time and dedication. I am passionate about this because it leads to the ultimate reward – handing you the keys to your dream home and developing a real relationship with you along the way. I would love to have a commitment from you to work with me exclusively. I'm happy to talk through the various types of buyer representation I offer so we can find the right fit for you.

**WHEREVER YOU DREAM OF LIVING, WE'LL HELP GUIDE YOU THERE.**