BUYERS
All REALTOR MLS Participants working with a buyer must enter into a written agreement before the buyer tours any home.

"Working with a Buyer"
- Providing brokerage services such as identifying potential properties, arranging for the buyer to tour a property, performing or facilitating negotiations on behalf of the buyer, presenting offers by the buyer, or other service for the buyer.

NOT Considered - "Working with a Buyer"
- Simply marketing your services
- Just talking to a buyer - like at an open house
- Providing access to a house you have listed
- Acting as the listing agent or subagent of the seller

3 Types of "Agreements"
1. WRA Pre-Agency Agreement
2. Disclosure to Customer
3. Buyer Agency Agreement

Buyer Agency Agreement Compensation: Lines 32 to read 2.1%
(You can decide to go higher)
- Optional language to add in lines 284-285 "Payment of Commission: Any portion of the commission owed per this agreement that is not covered in Buyer's accepted purchase contract, shall be paid by Buyer, directly to Shorewest, Realtors at closing with cashiers check, wire transfer or settlement funds".

Amended Buyer Agency Language:
- **Option One:** Lines 6-7 It is agreed that the language on lines 32-33 is removed and replaced with: "2.1% of the purchase price"

- **Option Two:** Lines 6-7 It is agreed that the language on lines 32-33, the words "whatever is offered in MLS" is removed.

Offer to Purchase lines 543-547 Seller payment of compensation to Buyer's Firm:
- For Buyer Agency fee only (no customer relationship)
- Do not use IF you have a Broker-to-Broker compensation agreement
- Can be used to make up the difference in compensation

Types of Compensation
1. **Broker Compensation Agreement:** (Prior to showing best - ALWAYS prior to offer being written)
2. **Buyer Agency Fee:**
   a. Paid directly to SW at closing
   b. Written on lines 543-547 of Offer to Purchase
   c. Broker through Broker Compensation Agreement
   d. Seller Concession
      i. Buyer directs funds from Seller Concession to be paid to you at closing for BA fee
      ii. Buyer collects Seller Concession and pays Shorewest directly at closing
   e. Seller Concession: (see above)

Listing Contracts
- **Option One:**
  - Lines 30: Commission 6% + $325
  - Lines 57: Compensation to Others 2.1%
- **Option Two:**
  - Lines 30: Commission 3.9% +$325
  - Lines 57: Compensation to Others (sellers' choice)
- **IF SELLER CHOOSES OPTION 2**
  - Add lines 331-333: Seller agrees to pay an additional 2.1% commission if Listing Agent facilitates an accepted offer with an unrepresented buyer (customer). This commission will be added to the Listing Firm's Commission on lines 30-33 and will be reduced by any amount of OFFER of COMPENSATION, if any, listed on line 58.

SELLER'S PROS AND CONS

Pros/Cons
1. **Offer Nothing**
   a. Agent demotivation
   b. Buyer avoidance
   c. Decrease of interest
   d. Exposure negatively affected
   e. Potentially fewer offers to review (less offers, lower sale price)
   f. Increases the chance the Buyer will reflect it in the Offer to Purchase

2. Seller Concession (percentage or dollar amount Buyer can use toward paying a Buyer's agent, closing costs, etc.)
- No guarantee they will use it for a Realtor.
- Unknown how they will use the concession offered.
- Harder to communicate this to a Buyer directly so the concession doesn't create more motivation.

3. Offer Cooperating Broker Commission
- Takes away the stress from the Buyer.
- Motivates more Buyers to buy your home.
- Motivates more Buyer's Agents to sell your home.
- Is a set amount that is offered so Buyer's agents and Buyers don't ask for all different amounts in the Offer they write.
- Exposure to the entire market increases your chances of multiple offers and a higher sale price.

Ultimately, the net cost of selling a home will be similar once all parties explore and negotiate their options, but offering a cooperating broker commission gets us there quicker.