

## **Helping Consumers understand the complexities of today's Real Estate transaction**

### **REALTORS<sup>®</sup> Working with Buyers**

#### **Meeting the Buyers**

- ◆ Discussion and explanation of agency relationships
- ◆ Are the buyers working with another agent
- ◆ Forms: Agency Relationships/Exclusive/Non-Exclusive Buyer Representation/Facilitator

#### **Pre-Buyer Counseling/Education**

- ◆ Find out what the buyer's expectations are.
  - time frame for finding a home (lease ending?)
  - have they looked at homes previously?
  - what are the buyers looking for in an agent?
- ◆ Describe process of home buying.
- ◆ Search options
- ◆ Disclosure issues (forms)
  - Sellers Property Disclosure Statement
  - Well and septic issues
  - Code compliance issues
- ◆ What are the buyers housing needs:
  - Price
  - Style
  - Number of beds/baths
  - Drive time/vicinity to work
  - School requirements
  - Recreational requirements
- ◆ Has the buyer been pre-approved
  - If not, recommend lender
  - If yes, does the agent/broker have permission to speak to their lender
- ◆ What is the buyer's preferred method of communication: email, cell, work, home
- ◆ Will there be any other parties assisting in the home purchase (parents, attorney)?
- ◆ Any conditions they may have (e.g. corporate transfer)?
- ◆ Will they be wanting a home inspection, lead, radon test, etc.
- ◆ Signing exclusive buyer contract or facilitator agreement
  - Explain company policy on cooperation

#### **Preview Properties**

- ◆ Agent accompanies buyers when viewing homes
- ◆ Explain what to look for while viewing properties
- ◆ Evaluate and analyze the differences in properties
- ◆ Understanding mechanical systems/buyer education while viewing homes
- ◆ How/when to review forms:
  - Sellers Property Disclosure Statements
  - Truth in Housing Reports
  - Explain difference between city housing reports versus third party inspections versus mortgage appraisal reports and which one do you want to rely on.

### **Preview Properties** *(continued)*

- ◆ Open Houses
  - Viewing alone versus accompanied by the agent
  - What to say or not say
- ◆ Counsel for re-sale value/potential/historical statistics
- ◆ How long do the buyers plan to stay in the home?
- ◆ Narrowing the choices
  - Pro's and con's of home features and locations
  - Prepare a CMA on the properties under serious consideration
- ◆ Obtain disclosures/inspection information necessary for buyer to make decision

### **Drafting the Offer to Purchase**

- ◆ Explain the process
- ◆ Consulting for the Purchase Agreement
  - Contingencies: risks and rewards
  - Clauses
  - Multiple offers
- ◆ Prepare the offer
  - Help buyer structure offer that is in their best interest
  - Earnest Money
  - Price
  - Contingencies (House stays on market)
  - Inspections (What happens during this period)
  - Closing date
  - Possession
- ◆ Present the Offer
  - How does the buyer want the offer presented (buyer present, buyer's agent present)?
  - Counsel buyer on expectation on how the offer may proceed such as counteroffer scenarios.
  - Communicate and negotiate counter offers from selling party
  - Negotiate and counsel client with their response.
- ◆ Due diligence/time is of the essence.
  - Agent/broker should review and make sure the offer is the final form as negotiated
- ◆ Obtain all proper signatures
- ◆ Provide copies to the buyer

### **Post Purchase Agreement Counseling and Follow-up**

- ◆ Follow through and stay on top of all aspects
- ◆ Arrange for and accompany buyer to inspection
- ◆ Provide counsel and negotiate issues
- ◆ Follow-up on all other inspections/contingencies
  - Verify work orders completed
- ◆ Mortgage lender follow up
  - Provide all documents to lender
  - Verify appraisal has been ordered
  - Good-Faith Estimate provided
- ◆ Arrange closing date, time, location
  - Do early on to avoid delays/disappointments
- ◆ Verify title work complete

## **Post Purchase Agreement Counseling and Follow-up** *(continued)*

- ◆ Prepare buyers for closing
  - Order insurance binder
  - Explain what paid receipts will be required
  - Furnish list of utilities/phone/cable contacts/phone numbers
- ◆ Arrange for and attend final walk through
- ◆ Negotiate any last minute problems
- ◆ Counsel buyers on what to expect at closing
- ◆ What to bring to closing
  - Drivers license (photo ID)
  - Social Security numbers
  - Residence address for past ten years
  - Certified funds and personal funds
  - Verify lender and funds required
- ◆ Estimate time to allow for closing
- ◆ Explanation of Title Insurance
- ◆ Verify all terms of the Purchase Agreement have been met

## **Closing the Sale**

- ◆ Attend the closing
- ◆ Go through the HUD with the buyer
- ◆ Handle any last minute issues
- ◆ Exchange keys, garage door openers
- ◆ Verify possession date and time
- ◆ Homestead filing
- ◆ Register to vote

## **Post Closing**

### *Closure*

- ◆ Remind to sign homestead cards
- ◆ Remind to register to vote
- ◆ Post closing contact asking if they have any questions/concerns/problems.
- ◆ Survey
- ◆ Send thank you note and/or gift