



Negotiating the Exclusive Buyer Service Agreement

This class is designed to honor YOU, the Realtor®

After attending this class you will have a complete understanding of how to successfully negotiate and articulate the **'Exclusive Buyer Service Agreement'**

How To Negotiate The Exclusive Buyer Service Agreement

1. Proven Theory

Testimonials and court cases that show the contract stands up in court

2. Perception

Professionalism of the Broker

3. Become the Leader

Teach the Broker to take the lead in a client/broker relationship

4. The Interview Process

Who is interviewing who? Know what questions to ask the Buyer(s)

5. RMLS

Your 24/7 assistant that aids you in retaining the client

Providing consistent contact necessary for the contract to be valid

6. Your Lender

How your lender can make your team stronger to ensure the client is loyal and receives the best care

7. Buyer Brokers & NAR

Public perception will change when we BRAG about our teamwork with other brokers

8. Broker Fees

How we get paid is knowledge that the Buyer should have

9. Escrow & Title

How our escrow office plays a key role in building an indestructible team

10. Buyer Advisory

Cover your assets– how disclosure is number one

11. The Commitment

Three documents that are explained in detail and how to ensure the Buyer(s) signature and loyalty

<http://www.dropbox.com/sh/kostumoz1aeam2m/AAAuXKBN2PRMqreHBcdIBpLSa?dl=0>

Cheryle@CheryleClunes.com

503-705-1764 cell

Price is obviously a key part of any offer, but it's not the only term to consider. Here are some other things to keep in mind:

- **Settlement date:** Whether you're asking to close in a short period of time or further in the future makes no substantive difference. When negotiating it only matters which is more desirable for the seller. If they are building a new house and need several months before they can vacate, keep that in mind. Or they may have a pressing need to get out quickly, and a faster closing may be more desirable to them. Your agent can ask their agent what their preferred time frame is before you draft your offer.
- **Closing help:** You may need help covering the costs of things like transfer taxes, title insurance and lender's fees. If you're low on cash, go ahead and ask for the seller to cover some or all of these costs, but then be prepared to pay asking price or close to it. Your offer is not as strong if you're asking for help with closing costs *and* a price reduction. Remember: Pigs get fat, but hogs get slaughtered. Don't be so greedy that you put yourself out of the running.
- **Inclusions:** Let's say the home has a beautiful heirloom light fixture in the dining room that's specifically been excluded from the sale. As much as you may want that specific chandelier, it's best to let those sorts of things go rather than upsetting the seller. Be careful not to rock the boat by asking for too much.
- **A personal letter:** You might consider writing the sellers a letter telling them how much you want their home and how much it would mean to raise your family there. There is an undeniable emotional factor in a home sale that sometimes defies being quantified. I've seen offers accepted for less than competing bids because the sellers simply feel good about the buyers, and a letter can help. On the flip side, I've seen letters trying to justify a low asking price by ticking off all the maintenance that needs to be done and how much it will cost. That strategy almost always backfires. No one wants to be told their house is a dump and that you're doing them a favor taking it off their hands.
- **Escalation clause:** If there are multiple bids on a home, the seller may lay out all the contracts and see who's offering the most. An escalation clause can be effective in making certain that it's you. It might say something like, "I'll pay \$400,000 or \$1,000 higher than any offer up to \$420,000." Let your agent guide you as to whether an escalation clause makes sense and if so, how to find the precise number you're comfortable escalating up to.

• **Earnest money:** This deposit is a way of showing how serious you are about buying the home. You want to put down at least 1 percent of the price of the house, if not more. I like to say that when it comes to deposits, bigger is always better. It shows you have the funds to move forward and that you're not playing around.

• **Financing:** In the old days, house hunters would get "prequalified," meaning they'd talk to a loan officer who would issue a letter saying, "Yeah, you qualify for a loan." We've now moved beyond that. Many people looking for houses have already been pre-approved by an actual underwriter by providing pay stubs and bank statements. If you have that kind of verification, yours is a much stronger offer than one coming from someone with just a letter from a loan officer. Remember: Pre-approved, not just pre-qualified. Huge difference.

• **Inspections:** There are a variety of inspections that can be performed on a home, some of which can point out the need for lengthy and/or costly repairs. Some may be required by the lender, but some are at the buyer's discretion. It's always a good idea to get a home inspection. Just like a car, systems in a house wear out and need replacing at various points in the home's life. The home inspector is going to go through and check if you're close to the end of usable life on any of the systems.

Keep in mind that they're never going to walk through a house and say, "Everything's perfect!" They're going to find things. That's what they're paid to do. I recommend that you go into the inspection with the attitude that you are using it only to find out if there are major systems in the house about to blow up, for which you might not be financially prepared. I never recommend using an inspection to come up with a laundry list of little things to be fixed.



EXCLUSIVE BUYER SERVICE AGREEMENT

1 THIS IS A LEGALLY BINDING CONTRACT – IF NOT UNDERSTOOD, SEEK COMPETENT LEGAL ADVICE BEFORE SIGNING.
 2 THIS AGREEMENT is made on the Today's Date day of Month, Year by and between
 3 Buyer One and Buyer Two Names "Buyer" and Your Name, Company "Broker."

AGREEMENT

4 1. **DUTIES OF BROKER:** Broker shall use best efforts to locate and bring to Buyer's attention Property of Interest as identified in Section 5
 5 below. When instructed by Buyer, Broker will help prepare and present offers on behalf of Buyer and negotiate for acceptance of such offers in
 6 accordance with Buyer's instructions. Broker's authority shall be limited to performing the services described in this Agreement. Buyer understands
 7 that Broker shall not be expected to render specialized professional services to Buyer such as detailed property inspection, land use or title
 8 analysis, tax advice, environmental risk evaluation or legal services. Buyer shall be expected to engage and pay for such professional services
 9 separately. Unless agreed otherwise in writing, Broker shall not execute any contracts on behalf of Buyer. Buyer understands that Broker's duty in
 10 identifying Property of Interest is limited to those offered through the local multiple listing service(s). Broker may, at Broker's discretion, or upon
 11 Buyer's request, identify other Property of Interest.

12 2. **BUYER NOTIFICATION:** Pursuant to the National Association of REALTORS® Code of Ethics, Broker advises Buyer of the following: (a)
 13 Unless Broker and Buyer agree otherwise, it is Broker's policy to cooperate with other REALTORS® in the showing of properties and the sharing of
 14 compensation; (b) The amount of compensation due Broker will be disclosed in this Agreement; (c) Occasionally, a transaction may include
 15 additional or offsetting compensation from other brokers, the seller or other parties. If such a situation presents itself, Broker will promptly discuss
 16 the matter with Buyer; (d) There is a possibility that sellers or their representatives may not treat the existence, terms, or conditions of Buyer's offers
 17 as confidential unless confidentiality is required by law or regulation, or is specifically agreed upon in a written agreement.

18 3. **AGREEMENT TO HIRE AND SERVE:** Buyer hires Broker, and Broker agrees to assist Buyer in locating and acquiring Property of Interest.
 19 Buyer agrees to work exclusively with Broker and, upon successful sale as defined below, shall pay Broker as follows:

20 a commission equal to 2.5% of the Purchase Price set forth in the Real Estate Sale Agreement, reduced by any commission received by
 21 Broker from the Seller or Seller's Broker;
 22 a flat rate commission of \$ _____, reduced by any commission received by Broker from the Seller or Seller's Broker;
 23 Or more if offered by Seller or Seller's Broker.

24 Broker will will not, require payment by Buyer of an advance non-refundable retainer fee. If so, the non-refundable fee will be \$ _____
 25 (zero [0] if not filled in). This non-refundable fee will be credited towards the commission earned, if any, by Broker under this Agreement.

26 Buyer understands that the agreed upon commission will be paid to Broker if Buyer acquires a Property of Interest through a tax-deferred
 27 exchange. If a Property of Interest is acquired through a lease with option to buy, the entire compensation shall be paid as follows (check one):

28 when the lease and option are signed by all parties;
 29 one-half when the lease and option are signed by all parties and one-half when and if the option is exercised; or
 30 other (specify) _____
 31

32 A successful sale shall be deemed to have occurred if, during the term of this Agreement, Buyer acquires title to any Property of Interest described
 33 in Section 5 below. A successful sale shall also be deemed to have occurred if, within 90 calendar days (one hundred eighty [180] if not filled in)
 34 after the term of this Agreement, Buyer acquires title to any Property of Interest for which Broker assisted Buyer in making any written offer,
 35 engaged in face-to-face negotiations with the Seller on Buyer's behalf, or acted as the procuring cause, during the term of this Agreement. This
 36 Agreement establishes an exclusive right to represent Buyer. This Agreement may result in Buyer owing a commission even though
 37 Buyer acquires property through Buyer's own efforts or through another broker.

38 Buyer represents that: (1) Buyer intends to acquire title solely in Buyer's name; (2) Unless otherwise disclosed in writing, Buyer will not be relying
 39 upon any contingent source of funds to purchase a Property of Interest, excepting only through an institutional lender or seller-carried financing; (3)
 40 Buyer will cooperate with Broker in the timely review and evaluation of any Property of Interest identified by Broker; (4) Buyer will timely notify
 41 Broker if Buyer desires to add to, change or otherwise modify the Property of Interest information contained in Section 5, below.

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LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE AND DATE

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Buyer Initials _____ / _____ Date _____

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EXCLUSIVE BUYER SERVICE AGREEMENT - Page 1 of 2

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EXCLUSIVE BUYER SERVICE AGREEMENT

One Year Term

42 4. **TERM OF AGREEMENT:** The term of this Agreement shall begin on April 22nd and end at 5:00 p.m. on April 22nd 2017

44 5. **PROPERTY OF INTEREST (DESIRED LOCATION AND TERMS):** Buyer seeks to acquire the following type(s) of real property:
 45 residential income commercial industrial vacant land other
 46 Special features: Enter Entire Range

49 Located in the general vicinity of Oregon
 50 Approximate purchase price between \$ \$200,000.00 and \$ 400,000.00 or such other purchase price to which Buyer shall agree.
 51 Financing terms (check as many as appropriate): cash lender owner-carried financing exchange other (specify) _____

53 6. **REPRESENTATION OF OTHER CLIENTS:** Broker offers services to the public, including other sellers and buyers. Buyer acknowledges that
 54 a situation may arise in which Broker may represent other buyers who may also be interested in purchasing a Property of Interest and that Broker,
 55 or other agents in Broker's company may represent sellers whose property may qualify as a Property of Interest. Buyer hereby authorizes Broker to
 56 represent other such buyers and sellers as more fully explained in Buyer's Disclosed Limited Agency Agreement, which Buyer has read and
 57 approved.

58 7. **DISPUTE RESOLUTION:** All disputes or claims of any kind between Broker and Buyer related to or arising from this Agreement that cannot
 59 be resolved through formal or informal mediation shall be submitted to final and binding arbitration under the rules of the Arbitration Service of
 60 Portland, the American Arbitration Association or such other arbitration service as the parties shall mutually agree. The prevailing party in any
 61 arbitration shall, at the discretion of the arbitrator, be entitled to recovery of all costs, disbursements and attorney fees as allowed by law.
 62 Notwithstanding the preceding, in the event that Buyer enters into a Real Estate Sale Agreement for the purchase of a Property of Interest, the
 63 dispute resolution provisions contained therein, shall supersede and replace this Section 7. By consenting to this provision Buyer is agreeing
 64 that disputes arising under this Agreement shall be heard and decided by one or more neutral arbitrators and Buyer is giving up the right
 65 to have the matter tried by a judge and jury. The right to appeal an arbitration decision is limited under Oregon law.

66 8. **ENTIRE AGREEMENT:** The terms of this Agreement are the complete and final expression of the entire agreement between Buyer and
 67 Broker and cannot be altered, amended, modified or changed except in writing signed by both Buyer and Broker.

68 9. **CONFIDENTIAL INFORMATION:** _____
 69 _____
 70 _____
 71 _____
 72 _____

73 10. **ADDITIONAL PROVISIONS:** ****For Sale by Owner Homes Found By Buyer(s)****
 74 _____
 75 _____
 76 _____
 77 _____

78 **BUYER AND BROKER ACKNOWLEDGEMENT**

79 Buyer _____ ← Printed Name BUYER One Date Today's Date ←

80 Buyer _____ ← Printed Name BUYER Two Date Today's Date ←

81 Address _____ Zip _____

82 Buyer's Phone Number _____ Buyer's Fax Number _____

83 Broker Your Name ← Firm Summa Real Estate Executives Date Today's Date ←

84 Firm Address 10121 SE Sunnyside Road, Suite 170, Clackamas, OR 97015

85 Phone (503) 558-2010 FAX _____

Client Data Mining 50 Pieces of critical information

Name _____ Spouse/ Significant Other _____
Children- Name/Ages _____
Address _____
Mailing Address _____
Primary Phone _____ Cell Phone _____ Other _____
Occupation/ Length of Time _____ Former Occupation _____
Common Friends (With You) _____
Vehicles Make/ Model _____
Vacation- Spots _____
Health Conditions _____
Investments _____
Home Mortgage _____
College Graduated From _____ Kids School _____
Favorite Restaurant _____ Anniversary Marriage _____
Birthday's _____
Anniversary Home _____ Internet Speed _____
Email Program _____ Favorite Websites _____
Magazine Subscription _____ Organizations (aarp) _____
Musical preferences _____ Health Club _____
Local Events they attend/ Support _____
Religious Affiliation _____
Radio Station _____ Favorite TV program _____
Newspaper Subscription _____ Charities _____
Banking _____ Insurance Agent _____
Wireless device _____ Important Relatives _____
Work Schedule _____ Personality Type _____
Favorite Sport _____ Hunter/ Fisherman _____
Coffee Type _____ Doctor _____ Dentist _____
Greatest Accomplishment _____
Wish List- Their Goals _____
Special Skills _____ Referrals Sent to You _____



Communication Checklist: Buyer

Buyer Name _____

Address _____

City, State, Zip _____

Primary Phone _____

Email _____

Business _____

Preferences

Communication By: Phone _____ Email _____

Showing Schedule: Weekly _____ Daily _____

Transaction Update: Monthly _____ Weekly _____

I authorize the release of my email address for the strict purpose of transaction updates to third parties directly involved in the closing of any transaction:

_____ Buyer

_____ Buyer Date _____

Contact Management System updated on _____

BUYER IN-TAKE FORM

Today's Date ___ / ___ / ___

Referred By _____

BUYER INFORMATION

Buyer Last Name		First	Middle	<input type="checkbox"/> Mr. <input type="checkbox"/> Miss	Email:	
				<input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.		
Own a Home Now?	If Yes, do you need to sell?		How many in the family?		Pets:	Kids?
<input type="checkbox"/> Yes <input type="checkbox"/> No					/ /	
Street Address		City	State	ZIP Code	Cell Phone?	Home phone No.?
Occupation		Employer			Best Way to Reach You and When?	
Choose Office/ Agent Because/ Referred to by (Please Check Box) <input type="checkbox"/> Mr/ Mrs _____ <input type="checkbox"/> RE Guide <input type="checkbox"/> Internet						
<input type="checkbox"/> Family <input type="checkbox"/> Friend <input type="checkbox"/> Close to Home/ Work <input type="checkbox"/> Newspaper <input type="checkbox"/> Other _____						
Others we may be able to help? _____						

Information

(Please Let Us Know How We Can Best Help You?)

- 1) What are your favorite websites to view property?
- 2) How many Homes have you owned?
- 3) How long have you been looking?
- 4) How have you been looking? (Signs, internet...)
- 5) How many homes have you looked at?
- 6) What areas are you most interested in?
- 7) Have you seen any properties that you liked?
- 8) What are you looking for in a home?
- 9) Have you recently made an offer on any home?
- 10) Have you selected a realtor?
- 11) Does anyone in your family have a real estate license?
- 12) Do you have any obstacle to overcome before making a purchase? (job transfer, settlement...)
- 13) When would you ideally like to be moved?

- 14) What is motivating you to buy a home now?
- 15) Is anyone else involved in the decision making process?
- 16) If you find a home that meets your criteria are you ready to proceed?
- 17) When is the best time to look at property?
- 18) How much time do you have today?

Buyers Property Requirements & Amenities:

- 1) Location:
- 2) Lot size:
- 3) Home specifications:
 - a. Bedrooms
 - b. Bathrooms
 - c. Garage
 - d. Square Footage
- 4) Special Requirements:
- 5) Of the special requirements- What do you need to have and what do you want to have?
- 6) Tell me about your present home- What attracted you to it? What don't you like about it now?

Financial Profile:

- 1) Have you been pre-approved with a lender?
- 2) If yes, who have you spoken with?
- 3) How much cash will you ideally like to invest in a new home?
- 4) Do you have a budget for monthly payments?
- 5) Is anyone helping you out financially with the purchase?
- 6) Are you planning on using your credit any time prior to the purchase?
- 7) What price range are you qualified for?

In Case of Emergency:

Name of local friend or relative (not living at same address)	Relationship	Home Phone	Work Phone

The above information is true to the best of my knowledge. I authorize the agent to place me on a monthly mailing list for real estate news and tips and for the agent to refer me to a local lender to see if they can provide me with the best rates and terms available.

X _____
 SIGNATURE DATE



EXCLUSIVE BUYER SERVICE AGREEMENT, Page 1 of 2

1 THIS IS A LEGALLY BINDING CONTRACT - IF NOT UNDERSTOOD, SEEK COMPETENT LEGAL ADVICE BEFORE SIGNING.
2 THIS AGREEMENT is made on the Today's Date day of Month, Year by and between:
3 Buyer 1 & Buyer 2 Names "Buyer" and Your PB's Name, Company "Principal Broker" and Your Name, Company "Buyer's Agent"

AGREEMENT

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5 below. When instructed by Buyer, Buyer's Agent will help prepare and present offers on behalf of Buyer and negotiate for acceptance of such offers
6 in accordance with Buyer's instructions. Buyer's Agent's authority shall be limited to performing the services described in this Agreement. Buyer
7 understands that Buyer's Agent shall not be expected to render specialized professional services to Buyer such as detailed property inspection, land
8 use or title analysis, tax advice, environmental risk evaluation or legal services. Buyer shall be expected to engage and pay for such professional
9 services separately. Unless agreed otherwise in writing, Buyer's Agent shall not execute any contracts on behalf of Buyer. Buyer understands that
10 Buyer's Agent's duty in identifying Property of Interest is limited to those offered through the local multiple listing service(s). Buyer's Agent may, at
11 Buyer's Agent's discretion, or upon Buyer's request, identify other Property of Interest.

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13 Buyer of the following: (a) Unless Principal Broker and Buyer agree otherwise, it is the Principal Broker's policy to cooperate with other REALTORS®
14 in the showing of properties and the sharing of compensation; (b) The amount of compensation due to Principal Broker will be disclosed in this
15 Agreement; (c) Occasionally, a transaction may include additional or offsetting compensation from other brokers, the seller or other parties. If such a
16 situation presents itself, Principal Broker will promptly discuss the matter with Buyer; (d) There is a possibility that sellers or their representatives
17 may not treat the existence, terms, or conditions of Buyer's offers as confidential unless confidentiality is required by law or regulation, or is
18 specifically agreed upon in a written agreement.

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20 of Interest. Buyer agrees to work exclusively with Buyer's Agent and, upon successful sale as defined below, shall pay Principal Broker as follows:

21 X a commission equal to 2.5% % of the Purchase Price set forth in the Real Estate Sale Agreement, reduced by any commission received by
22 Broker from the Seller or Seller's Agent;
23 a flat rate commission of \$ reduced by any commission received by Principal Broker from the Seller or Seller's Agent;
24 X Or more if offered by Seller or Seller's Broker

25 Principal Broker will X will not, require payment by Buyer of an advance non-refundable retainer fee. If so, the non-refundable fee will be
26 \$ (zero [0] if not filled in). This non-refundable fee will be credited towards the commission earned, if any, by Principal Broker under
27 this Agreement.

28 Buyer understands that the agreed upon commission will be paid to Principal Broker if Buyer acquires a Property of Interest through a tax-deferred
29 exchange. If a Property of Interest is acquired through a lease with option to buy, the entire compensation shall be paid as follows (check one):

30 X when the lease and option are signed by all parties;
31 one-half when the lease and option are signed by all parties and one-half when and if the option is exercised; or
32 other (specify)
33

34 A successful sale shall be deemed to have occurred if, during the term of this Agreement Buyer acquires title to any Property of Interest described in
35 Section 5 below. A successful sale shall also be deemed to have occurred if, within 90 calendar days (one hundred eighty [180] if not filled in)
36 after the term of this Agreement, Buyer acquires title to any Property of Interest for which Buyer's Agent assisted Buyer in making any written offer,
37 engaged in face-to-face negotiations with the Seller on Buyer's behalf, or acted as the procuring cause, during the term of this Agreement. This
38 Agreement establishes an exclusive right to represent Buyer. This Agreement may result in Buyer owing a commission even though
39 Buyer acquires property through Buyer's own efforts or through another Agent.

40 Buyer represents that: (1) Buyer intends to acquire title solely in Buyer's name; (2) Unless otherwise disclosed in writing, Buyer will not be relying
41 upon any contingent source of funds to purchase a Property of Interest, excepting only through an institutional lender or seller-carried financing; (3)
42 Buyer will cooperate with Buyer's Agent in the timely review and evaluation of any Property of Interest identified by Buyer's Agent; (4) Buyer will
43 timely notify Buyer's Agent if Buyer desires to add to, change or otherwise modify the Property of Interest information contained in Section 5, below.

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Buyer Initials / Date

