

# *A guide to Buyer Representation*

Understanding the benefits of using a Prominent Properties Sotheby's International Realty buyer's agent during the purchase process



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## Exceptional Service *From Start to Close.*

Our commitment has always been to curate an exceptional experience for our clients – one that is characterized by excellence, integrity, and professionalism. Whether you are embarking on your first home purchase, transitioning from another region or country, exploring real estate options, or seeking out-of-state opportunities, it is essential to align yourself with experts. Our team of experienced Real Estate Advisors understands your unique requirements. We possess an in-depth grasp of our local markets, fortified by an extensive global network. We are committed to providing our clients with comprehensive advice and strategy.

Prominent Properties Sotheby's International Realty has created this Buyer Guide to provide you with a comprehensive understanding of crucial components and choices available to buyers during the purchasing process. Our purpose is to inform and guide you through each phase of this journey.

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# Benefits of Exclusive Buyer Representation

Your Prominent Properties Sotheby's International Realty agent will prepare a contract outlining our services so we can commit to assisting you with your home purchase. As your exclusive broker, we will be guiding you through the home purchase experience and will help prepare you to be the buyer that stands out from the rest.

Below is an overview of how we demonstrate value and contribute to a successful purchase.

- **Create a personalized purchase strategy**
- **Provide an overview of the current market dynamics and challenges**
- **Evaluate purchase price range**
- **Setup MLS listing alerts**
- **Schedule property tours, both privately and of open homes**
- **Provide access to off-market, and office-exclusive listings**
- **Review disclosures on selected homes**
- **Evaluate & negotiate offers**
- **Recommend vendors for inspections**
- **Assist with procuring a mortgage lender**
- **Assist with attorney recommendation, if needed**

# Your Trusted Real Estate Advisor

Buying a home is typically one of the largest investments you will make in your lifetime. A trusted real estate advisor can act as your expert guide to negotiate on your behalf, navigate the complexities of disclosures, reports and contracts and help you avoid costly mistakes.

## Leveraging the Sotheby's International Realty® Brand

Sotheby's International Realty® is a globally recognized brand that lends credibility to your offers and elevates your representation. Our success is defined by our deep commitment to our clients. This trust has been built over 270 years of Sotheby's selling their clients' most valuable treasures.

## Navigating the Home Purchase Process

Having an experienced professional in your corner offers a competitive advantage when searching for your home and accessing local resources. An agent's broad perspective can provide a stabilizing force through what can be a challenging process.





# *The crucial value that Our Agents Provide*

Your Prominent Properties Sotheby's International Realty agent has invested countless hours to develop the knowledge needed to guide you to a ratified contract and through to settlement. Therefore, when you engage a Prominent Properties Sotheby's International Realty agent, you're not just compensating them for the time and effort they put into one transaction – you're also benefiting from our firm's years of expertise. Here are some of the reasons why this expertise is valuable:

## *Deep Knowledge*

Our real estate agents have in-depth knowledge about the local market, including pricing trends, neighborhoods, and what buyers or sellers are looking for. They can use this knowledge to guide you to make informed decisions.

## *Negotiation & Confidentiality*

An experienced agent has honed their negotiation skills over many transactions. We can help you obtain the best possible terms on your purchase.

## *Access to Our Network*

Agents have a vast network of professionals, from inspectors to mortgage lenders, which can be invaluable during the buying process. These relationships can expedite processes or uncover opportunities you might not find on your own.

## *Navigating Sales Contracts*

Our experienced agents understand the ins-and-outs of real estate contracts and can help you navigate their nuances and complexities.

## *Efficiency*

There's a lot of behind-the-scenes work we do – from researching properties, coordinating with other agents and handling paperwork. Our expertise streamlines the process, making it more efficient.

## *Advisor & Fiduciary*

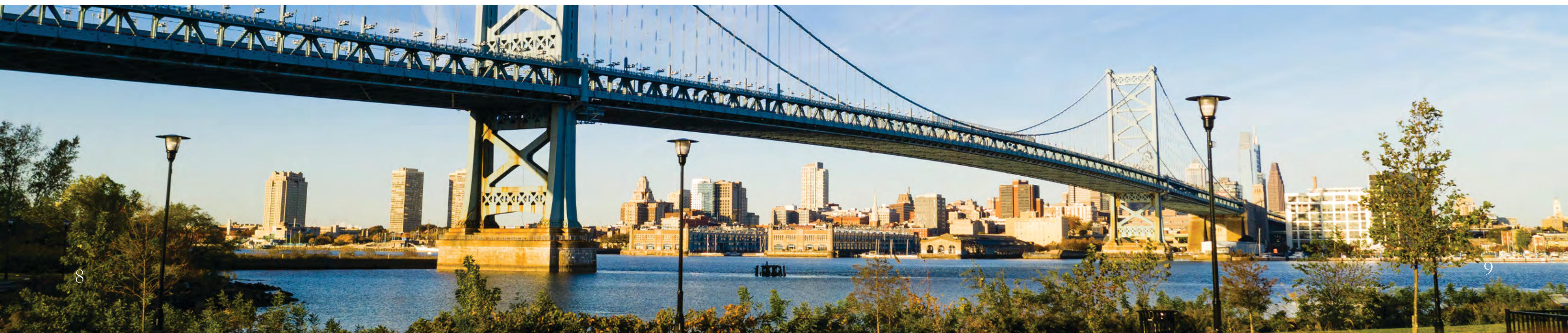
Buying a home can be emotionally charged. An agent serves as a confidential advisor and fiduciary, ensuring that emotions don't cloud judgment or derail a transaction.

## *Future Guidance*

Our agents provide value even after a transaction is complete, offering advice on home improvements, market trends and updates, as well as when might be a good time to buy or sell again.

## *Professional Development*

The real estate market and its regulations are continually evolving. Our experienced agents invest in state required continuing education and training to stay updated, ensuring we provide you with experienced service.





# Understanding Buyer Representation

Prominent Properties Sotheby's International Realty agents will provide you with a Buyer Agency Agreement that will explain in detail the role of your buyer agent. A Buyer Agency Agreement must be signed by the purchaser and the broker in order for the agent to represent the purchaser on the buyer-side of a transaction. A buyer agent represents only the buyer and promotes and protects their best interests throughout the transaction, keeping all information confidential.

Once an agreement is signed, the buyer agent owes a fiduciary duty to represent the best interests of the buyer throughout the process. An exception to the fiduciary duty to the buyer only is in a dual agency transaction when one brokerage represents both buyer and seller and must treat all parties fairly.



# About Brokerage Compensation

Similar to a Listing Agreement, buyers execute a Buyers Representation Agreement for professional services and representation between themselves and Prominent Properties Sotheby's International Realty. This confirms the compensation for the brokerage. It should be noted that the amount a brokerage charges is not fixed by law, the commission amount is negotiable.





## How Commissions Are Paid?

### **Seller Paid Brokerage Commission**

When listing a property for sale, sellers enter into a Listing Agreement to authorize payment of commission to the listing broker. In some cases, the listing brokerage, at the direction of the seller, also offers a commission amount to be paid to the broker representing the buyer.

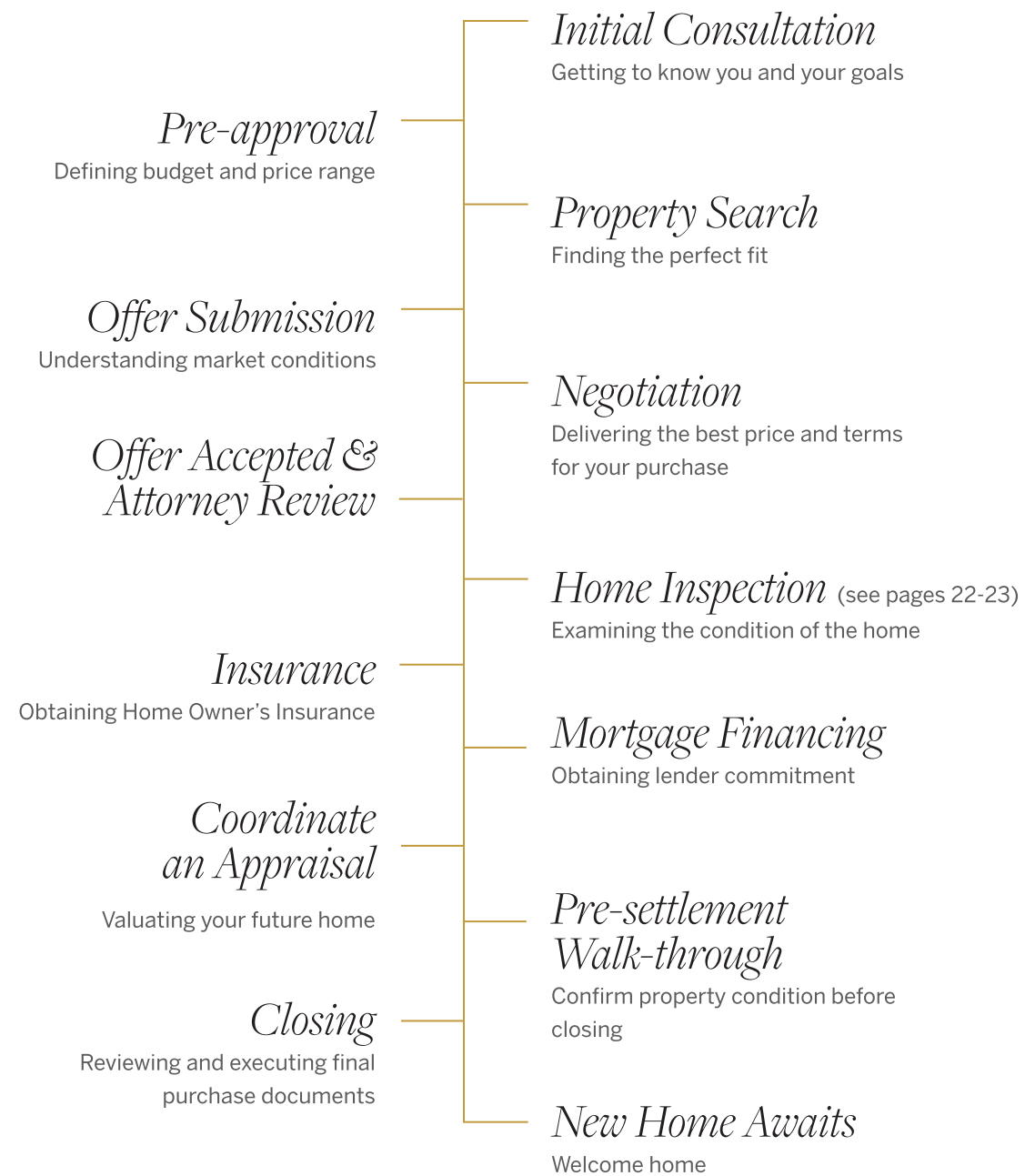
### **Buyer Paid Brokerage Commission**

Your agent can search for properties not listed in the MLS, including For Sale By Owner, Off-Market opportunities, and Office Exclusives. The Buyer Agency Agreement details the commission for buyer representation in these instances. A Buyer Agency Agreement allows your agent to represent you even when no cooperative compensation commission is offered.

If the amount of commission offered by the seller is less than the agreed upon amount in your Buyer Representation Agreement, the buyer will cover the difference at closing.



# The complex journey of Purchasing a Home







# Navigating Steps to a Successful Purchase

Each home buying journey is unique, just like our clients. The following is a list of some of the items our agents can assist you with that may be part of your home purchase process.

### Financing

Financing and good lender relationships are important. We can recommend a variety of loan officers who can help you financially prepare to purchase your home. Our agents can:

- Provide a list of lenders who can pre-approve you and confirm the property price range
- Collaborate with lender on any alternative financing so you can buy before you sell
- Provide any requested contract documentation
- Show the property to the Appraiser and provide supporting comparable sales information

## What to expect on your Initial Consultation

An initial meeting is important to understand your home buying needs and to develop a strategy to help you successfully make a purchase.

### Understanding Your Real Estate Goals

- Purchase time frames
- Past experience with real estate purchasing
- Financing and stage of pre-approval, if a loan is needed

### Refining Property Search Criteria

- Location and neighborhood
- Price range
- Size of home, style, amenities
- Specific requirements and non-negotiables
- Condition of home and flexibility to make improvements
- School districts, commute, walkability, neighborhood amenities, etc.





# Locating & Viewing Properties

Our agents view properties continually, follow local market dynamics, and are here to guide you in finding the right home. Our agents can also:

- Set up automated listing alerts that meet your search criteria
- Present off-market or pre-market listings as they arise
- Communicate with agents to schedule and set up private showings
- Map out and tour properties together
- Recommend properties that are available to view at open houses
- Provide timely market reports
- Review the pros and cons of each home after viewing



# Evaluating Selected Properties

We will help you assess how your selected property compares to others on the market and to homes recently sold. A benefit of having a trusted real estate advisor at Prominent Properties Sotheby's International Realty is their familiarity with required disclosures, recommendations for inspectors, and experience with the neighborhood in which you are interested.

- Our agents will request and review the Disclosure Package, and any additional information from the listing agent
- Recommend attorneys







# Writing Competitive Offers

When we locate a property that meets your needs, we will provide a market analysis and strategies to assist you in determining an offer price and terms, and then negotiate on your behalf.

- Communicate with the listing agent to get the best information possible about competing offers and sellers' preferences regarding terms, and the timeline for offer submission.
- Review comparable sales and discuss the price and terms that can best position your offer.
- Our agents can prepare a compelling offer with the relevant addenda and disclosures, and will submit the loan approval letter and proof of funds with the offer.
- Get signatures and initials on all offer documents to provide a complete offer.

## Presenting Your Offer

Representing you in the best light can be helpful in securing the home you desire. What may not be evident at the outset is the value of having a Prominent Properties Sotheby's International Realty agent with a trusted brand and excellent reputation in the eyes of other agents – who are often a key factor in helping their clients assess competing offers.

- Present the offer in a timely manner
- Maintain communications and forward any counter-offers for review
- Negotiate on your behalf and write any addenda or subsequent counter-offers

# Offer Accepted & Attorney Review

Congratulations! This is just the start of the transaction process. Your agent will guide you through the requirements that are contained in your fully executed contract.

- Deliver documents to all parties
- Ensure you understand wire fraud concerns and that you communicate directly with your attorney regarding any wiring instructions, or transfer information
- We will maintain a secure transaction file with all the ongoing required documentation



# Home Inspections & Other Contingencies

There may be several contingencies associated with your contract, including a home and other related inspections. Our Agents will assist you in navigating this process:

- Your agent can help you locate a home inspector, plus arrange any additional property inspections, if needed
- Coordinate and schedule the home inspection
- Attend the home inspection
- Review the Inspection Report
- Communicate with your lender as requested
- Assist the appraiser with access to the home and provide comparables, as needed
- Provide resources for Homeowners Insurance, if needed
- Guide you through any remaining contingencies

## Additional inspections that may be Needed

- **Asbestos** – this mineral fiber was once used for insulation and fire protection. Asbestos fibers released into the air may pose a health hazard. Any work performed on asbestos must be done by a properly trained and licensed contractor.
- **Carbon Monoxide** – this odorless, colorless, and tasteless gas can be fatal if inhaled at sufficient levels. Carbon monoxide in the home is produced from fuel-burning sources such as gas, oil, or wood-fired heating systems. Compliance is required for closing.
- **Chimney** – level II inspections are conducted to check the flue lines and condition of the hearth and chimney.
- **Lead Paint** – paint chips or dust from deteriorating lead paint are toxic and can cause lead poisoning when inhaled or ingested. If the home was built before 1978, the seller must complete a lead paint disclosure form, which will be signed by the buyer acknowledging receipt of the disclosure. A lead disclosure booklet endorsed by the EPA will also be provided to both parties.

## Additional inspections that may be Needed

- **Mold** – a mold assessor can test for mold and prepare a remediation plan.
- **Oil Tank** – it is advisable to scan the property for the presence of any underground storage tanks.
- **Pest and Termite** – an inspection will be performed for the presence of all forms of wood-destructive insects in the home. The inspection report should contain a certificate of non-infestation, or information detailing existing damage and recommended treatment .
- **Radon** – this invisible, odorless and slightly radioactive gas can seep into a house from soil and rock below the home's foundation. Prolonged exposure to high levels of radon can pose a health hazard. In most cases, if radon is detected, steps can be taken to remedy the problem.
- **Septic** – a visual inspection of the septic system area or dye test will often be performed. Since septic systems require routine maintenance, be sure to find out when the system was last pumped out and its condition at that time.
- **Sewer Line** – a camera inspection is conducted to check the flow of the sewage to the street.
- **Smoke Detector, Carbon Monoxide Detectors and Fire Extinguisher** – confirmation of functioning detectors and extinguishers and compliance with local regulations will be provided by the seller.
- **Water** – for homes that have well water, a laboratory analysis will test the quality of the water. Another test may be performed to determine the capacity of the well.

## Completing the Closing Process

- We can recommend movers, interior designers, landscapers, general contractors, gardeners, cleaning services, and home maintenance services
- Arrange for a final walk-through of the property
- We will accompany you to the closing

**Congratulations on your new home!**



# Moving Tips

The process of moving is long and complex. Being organized, knowing what needs to be done, and tackling tasks efficiently can make your move significantly less stressful. Here's a checklist to keep you on task and help make your move successful.

## 6 – 8 WEEKS BEFORE:

- Use up things that may be difficult to move, such as frozen food.
- Get estimates from professional movers.
- Once you've selected a mover, discuss insurance, packing, loading and delivery, and the claims procedure.
- Sort through your possessions. Decide what you want to keep, sell or donate to charity.
- Record serial numbers on electronic equipment, take photos (or video) of all your belongings and create an inventory list .
- Obtain a change of address packet from the post office and send to creditors, magazine subscription offices and catalog vendors.
- Discuss moving expenses with your accountant and keep accurate records.

## 2 – 4 WEEKS BEFORE:

- If you're moving to a new community, contact the Chamber of Commerce and school district and request information about services.
- Begin packing nonessential items.
- Arrange for storage, if needed.
- Get driver's license, car registration and insurance in order.
- Transfer your bank accounts to new branch locations. Cancel any direct deposit or automatic payments from your accounts if changing banks.
- Make special arrangements for your pets, if needed.
- Have your car checked and serviced.

## 2 – 3 DAYS PRIOR:

- Defrost your refrigerator and freezer.
- Have movers pack your belongings.
- Label each box with the contents and the room where you want it to be delivered.
- Arrange to have payment ready for the moving company.
- Set aside legal documents and valuables that you do not want packed.
- Pack clothing and toiletries, along with extra clothes in case the moving company is delayed.
- Change your utilities, including phone, power and water, from your old address to your new address.



# Moving Day

## MOVING DAY: OLD HOME

- Make a list of every item and box loaded on the truck.
- Let the mover know how to reach you.
- Double-check closets, cupboards, attic, basement and garage for any left-behind items.

## MOVING DAY: NEW HOME

- Be on hand at the new home to answer questions and give instructions to the movers.
- Check off boxes and items as they come off the truck.
- Install new locks.
- Confirm that the utilities have been turned on and are ready for use.
- Unpack your "first day" box (see list for suggested contents).
- Examine your goods for damage.

## MOVING ESSENTIALS:

- Plenty of boxes
- Furniture pads
- Hand truck or dolly
- Packing tape
- Bubble wrap
- Packing paper
- Scissors / utility knife
- Labels
- Felt-tip markers

## FIRST DAY BOX:

- Scissors/ utility knife
- Markers and paper
- Toilet paper
- Cleaning supplies
- Soap
- Trash bags
- Coffee cups
- Teakettle
- Coffee, tea, soft drinks
- Paper plates/ plastic utensils
- Snacks
- Bath towels
- Sheets