

Complete Guide about Real Estate Agents

A hand holding a key against a blue sky with clouds. The hand is positioned in the center, holding a gold key. The background is a bright blue sky with white clouds. The entire scene is framed by a blue border with rounded corners.

**What is a
Buyers agreement?**

**Do I have to pay
for my realtor?**

**What is a
Buyer's Agent?**

**What can an
Agent offer me?**

How does my Agent get paid?

Learning about the commission aspect of Real Estate helps, when understanding how your Agent gets paid. Not very many people are aware of how the system works; in fact, a common misconception is that all Agents get paid hourly which isn't true. The way commission works in real estate is that Agents work for a Real Estate Broker, all fees goes through the Broker before, any Agent gets paid. We will explain what the percentage can be, what a Buyer's Broker agreement is and how procuring cause all come into play on how you're Agent gets paid.



Now the percentage of how much the Agents are paid varies from every company and is a contract between the Agent and the Real Estate Broker. Now here is where the fees and compensation become a little more complex. The most common type of listing agreement between a seller and their agent is where they give the Agent's Broker the right to exclusively market their home and in return, they bring a buyer to the table and seller agrees to pay a commission to the broker. Typically this is represented as a percentage of the sales price and is shared between the listing broker and the broker who brings the buyer. Therefore the percentage is decided upon the agreement between the Agent and their Broker.

When you ask an Agent to show you a property, you are implying that you will eventually write an offer through that Agent. If you have no intentions of ever writing an offer with them, you are taking advantage of the Agent. Thus leading into procuring cause, a process that determines an Agent is entitled to a commission when a buyer works with more than one agent. By signing a Buyer's Broker Agreement you will avoid all misunderstanding and have set expectations from both your Agent side and yourself.

If another agent begins to speak to you, don't be afraid to say you are working with another agent- even if the Agent doesn't ask "Are working with another agent". Although all Agents a supposed to ask, they may happen to forget or become distracted. You should volunteer that information. Now when you sign the Buyer's Broker Agreement, your Buyer's Agent represents you.



Therefore there will be no need to contact other agents for showings or even calling listing agents for information. Truth is your Agent will be able to provide and obtain more information than you can. Same goes with open house make sure the other agents are aware you are working with an agent so you avoid agents bothering you for your personal information. Procuring cause plays a huge part with your Agent commission because usually the Agent, who writes the offer, gets paid.

Overall if you ask an Agent to spend weekend driving you around, sharing knowledge and helping you to select a home, it is only fair to be loyal to your agent. Now to decide who pays the commission of your Agent, it's usually the

seller who pays the commission because it's typically part of the sales price. So the truth is that the money doesn't come from your Agents Company but the seller themselves. This gives you an overall understanding as to why you should be faithful to your agent; they are they to look out for your best interest. Let us take a look at what the difference is between a client and customer and how it can make a difference in servicing you.



“Everything you can imagine
is real.”

- Pablo Picasso

Customer or Client

During Real Estate transactions, clients are entitled to a higher level of service than a customer. The significant difference between the two, the client signed a Buyer's Representation Agreement. Meaning that the Agent owes the client fiduciary duties and has expectations to meet.

-If you are a customer, an Agent may not be in a position to answer even basic questions, only because they are acting instead as subagents for the seller.

-When negotiating a home the agent will seek the most favorable transaction terms for the client and not disclosing any material facts about your personal situation that could hurt your negotiation position.

| Customer <i>(no fiduciary relationship)</i> A Agent will: | Client <i>(Fiduciary relationship)</i> Your Agent will: |
|--|---|
| Maintain loyalty to the seller's needs | Pay full attention to your needs |
| Tell the seller all that they know about you | Tell you all that they know about the seller |
| Keep information about the seller confidential | Keep information about you confidential |
| Focus on the seller clients property | Focus on choices that satisfy your needs |
| Provide just the material facts | Provide material facts as well as professional advice |
| Only provide price information that supports the sellers listing price | Provide price counseling based on comparable properties and their professional insights |
| Protect the seller | Protect and guide you |
| Negotiate on behalf of the seller | Negotiate on your behalf |
| Attempt to solve problems to the sellers advantage and satisfaction | Attempt to solve problems to your advantage ad satisfaction |

Some states require for a Buyers Representation Agreement to be signed

Agents get paid from the seller therefore there is no cost to you, the buyer. We will discuss the buyer's agency agreement and what a Buyer's Agent can offer you, so you can have a better understanding in how we can helpful to both you and your family.

5 REASONS TO SIGN A BUYER'S REPRESENTATION AGREEMENT



Have you ever heard of a Buyers Representation Agreement? We will explain and share how this document aids you. A Buyer's Representation Agreement is a legal document that validates your working relationships with your Agent, what your Agent expectations are from you and specifying what services you are entitled to. The idea of a legal documentation may have you feel uneasy but fail to perceive it as an important and cooperative tool for illustrating expectations, developing a mutual loyalty, and most importantly the services you will receive.

1. There's a difference between customer and client? As discussed before, Clients are entitled to superior services, comparative to customer. The agreement validates the relationship between you and your agent. Ultimately ensuring the highest quality of service and being able to have that understanding that you and your buyer's expectations are met.
2. Did you know that you don't pay for your agent services? Sellers have already agreed to pay your agent commission. You can ask your buyer's agent to avoid showing you any for sale by owner (FSBO) homes. Or you can still view the home, knowing that you will need to factor your agent's commission into any offer you may write. Buyers rarely pay real estate commission, this is an important detail you will want to discuss with your agent and clarify in their representation agreements. Keep in mind a Buyer's Agent can show you any property regardless of the sign out on the lawn therefore having a variety of homes to choice from.
3. Misunderstandings can ruin a relationship between a client and the agent. So in order to avoid that from happening a Buyer's representation Agreement clarifies expectations, helping you understand what you should and shouldn't expect from your Agent and what they will expect from you. Which usually focus on loyalty and communicating every step of the way establishing dependable and reliable service.
4. Since the agreement is through mutual consent, most Representation Agreements can be terminated early, with both parties consent. Most Agents would be willing to end the agreement early if the working relationship isn't going well.
5. Teamwork is key point with a Buyers Agreement, a clear understanding and loyalty both you and your Agent are providing, working together to helping you achieve the best possible home buying experience.

REASON WHY YOU SHOULD HIRE A BUYER'S AGENT

1. The willingness to put your interest above any seller's wants or needs. And knowing that a buyer's agent give you 100% of their dedication and loyalty to you, the home buyer.
2. A buyer agent job is to find the best home for the least amount of money and hassle as possible. The sellers and the listing agents wants and needs having nothing to do with the level of service provided by the buyer's agent to you because they have no loyalty to the sellers or listing agents.
3. The extensive knowledge a buyer's agent has to offer is willing to share that information with you. Most of the time they view hundreds of properties and may have already seen the home that you are interested in and can share the details before you even go inside. Buyer's agents are very familiar with the market around them. So any questions you may have about the market they can provide you with the answers.
4. A buyer's agent has access to any property regardless of the sign that is in the yard. They have access to all properties once they become available. A buyer's agent isn't limited to finding the perfect home for you.
5. The main part of a buyer's agent job is to be a professional negotiator. They help you the home buyer get the best possible situation. They negotiate and write contracts for a living and are aware of all the tricks of the trade to use and avoid when dealing with different listing agents and sellers. They have a clear understanding of the details of a buy-sell contract and are able to explain and walk you through the entire contract, from beginning to end. In a way that actually makes sense and they can recommend reputable lenders, home inspectors and anyone else that you may need, once you find a home that you want to buy. In our case, representation by a professional buyer's agent will cost you nothing- it's Free! The compensation that a buyer's agent receives is built into the selling cost paid by the seller at the time of closing.



Let Us Know How We Can Help



- Walter Whitehurst and Rebecca Quick are both experienced Realtors who work as a Team to help our buyers and sellers relocating here or moving to/from many different duty stations around the world. Whether you have purchased/sold a home before or looking to purchase/sell your "first" home, we are here to help you and walk you thru each step.
- We can help you buy from afar while on deployment through pictures, videos, email, Face time, or Skype. If you are located here, we are always glad to show you any home, whether it is after work or on weekends.
- If you are having problems paying your mortgage, give us a call and we will go over your options, depending on whether you want to keep your home or sell it.
- We are "Gung-ho" about helping you and your family, find your perfect home or help you sell it.
- Call or text Walter at (910) 340-5524 or email at walter.whitehurst@gmail.com
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