

HOW OFFERING BUYER'S AGENT COMPENSATION CAN BENEFIT SELLERS

Whether to offer compensation to a buyer's agent, and the amount of compensation you may decide to offer, is purely your choice. There is no legal or other obligation to offer such compensation. However, so that you can make an informed decision, and to help you understand why we recommend that you make such an offer, below are some points to consider regarding why we believe there are significant benefits to doing so.

- The most significant benefit of offering compensation to a buyer's agent is to help make your property attractive to the widest possible pool of potential buyers. Experience has shown that this is the best way to create the highest demand for your home – with the goal of generating the fastest sale and potentially the best price for your home.
- Often, buyers need their cash for the down payment and other significant expenses. It may be important to them to have an agent representing them, but some buyers may not have the cash to pay their own agent out of pocket.
- Experience shows that the seller benefits from the buyer having an agent because the transaction goes much more smoothly. Without an agent representing the buyer, the closing process can take longer and other complications can arise. Offering compensation to the buyer's agent generally increases the chances that the buyer is represented by a licensed professional who will manage their side of the transaction.

HOW A BUYER'S AGENT IS PAID IF YOU OFFER COMPENSATION

- 1** You have offered to pay the commission due to the buyer's agent. In this case, the commission obligation will be paid by you out of the funds paid to purchase your home.
- 2** You have offered compensation consisting of only a portion of the commission due to the buyer's agent. This would require the buyer to pay any portion of the commission not paid by you. Alternatively, the buyer could condition the purchase offer on you paying the full commission obligation.

HOW A BUYER'S AGENT IS PAID IF YOU DO NOT OFFER COMPENSATION

- 1** You have not offered to pay any portion of the commission owed to the buyer's agent. In this case, the buyer can include a requirement that you pay the commission obligation as part of the offer made on your property.
- 2** You do not agree to pay the buyer's agent commission, in which case the buyer would be responsible for the commission.

