

WHAT IS A BUYER REPRESENTATION AGREEMENT?

By now you've probably read or heard about the significant changes happening in real estate and how those changes will affect home buyers and sellers.

Thanks to the CALIFORNIA ASSOCIATION OF REALTORS®, the trade association your REALTOR® belongs to, the process of purchasing a home has recently evolved to provide more clarity and transparency for consumers like you.

One of the new requirements is that buyers must sign a written Buyer Representation Agreement before touring a home with an agent. This is a positive development for both consumers and agents because it facilitates conversations to help homebuyers better understand the process and learn the right questions to ask agents, including what they're going to do for their clients.

The agreement explains how your REALTOR® will act as your dedicated and professional guide. It also outlines their ethical and fiduciary duties to represent you to the best of their ability. The terms of the agreement are negotiated between you and your REALTOR®. Together, you decide how long the representation lasts, and when and if to extend or end the agreement.

In short, the Buyer Representation Agreement:

- spells out the buyer's agent's responsibilities during the time they represent you
- explains what your agent will do on your behalf, thereby providing more transparency in the transaction
- records exactly what and how they will be paid for their services
- ensures that you have an expert on your side as you negotiate the complex process of buying a home

A buyer's agent will listen to your needs and preferences, and work with your budget to help you find suitable properties to tour. Because of their knowledge of the local area, these agents are able to narrow down the search and save you valuable time by showing you homes that match your criteria. Their skills and experience provide insights into neighborhood trends, property values, and market conditions.

The Buyer Representation Agreement ensures that you and your REALTOR® are on the same page about the terms of your collaboration. It is designed to facilitate trust and efficiency in what is a hugely complex process. Buying a home is one of the largest, most consequential purchases of your life. It is crucial to have someone on your side who can help you understand the legal documents such as purchase agreements, disclosures, and reports. A buyer's agent ensures that you are aware of your rights and obligations, to protect you from potential legal pitfalls.

Signing a Buyer Representation Agreement is the first step in solidifying a rewarding and productive collaboration with your REALTOR®.



**167 THINGS
A REALTOR®
DOES FOR
A CLIENT**