

**Real Estate Practice – Part 3**

**Working with Buyers**

**Program Offered by the Nebraska Real Estate Commission**

**Program Presented by**:

Copyright © 2019 Nebraska Real Estate Commission – All rights reserved, No part(s) of this handout may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any informational storage or retrieval system--except by a reviewer who may quote brief passages in a review to be printed in a magazine or newspaper--without permission in writing from the author. Although the author has exhaustively researched all sources to ensure the accuracy and completeness of the information contained in this book, we assume no responsibility for errors, inaccuracies, omissions or any inconsistency herein. Any slights of people or organizations are unintentional. Readers should consult an attorney or accountant for specific applications to their individual business or tax concerns. The author hereby states that this information is provided for educational purposes only and that the author is not an attorney. As with all contractual issues, consult with an attorney or other competent professional before proceeding with a legal action. The wording contained in this handout is provided as a starting place and is not necessarily designed to be used verbatim.

Printed in the United States of America.

Nebraska Real Estate Commission

www.nrec.nebraska.gov

**Sources**

* https://www.adwerx.com/blog/184-things-real-estate-agents-do/
* https://nrec.nebraska.gov/legal/article24toc.html - Agency Relationships - NREC
* https://nrec.nebraska.gov/additional-links/faqlicensees.html

**Session Objectives: Upon completion of the course, participant will be able to:**

1. Design and implement a methodical system when working with Buyers that incorporates advocacy, communication, marketing, pricing competency, negotiation and transactional administrative tasks.
2. Develop consistent process of pre and post appointment steps which incorporates an effective initial client pattern interview process that fully informs the public of the legal restrictions that dictate Agent activity and communication specifically related to Fair Housing, Anti-Trust and Agency representation.
3. Develop and enforce internal procedures for the fair handling of multiple offers that incorporate elements of confidentiality, legal seller instructions and shopping for additional offers in various agency representation situations.
4. Incorporate negotiation techniques that result in a successful transaction within the parameters of the agency status, which includes but is not limited to confidentiality, shopping offers, multiple offer handling and working with possible breach of contract.
5. Write effective step by step administrative procedures to maximize efficiencies in terms of contract compliance for audit.
6. Handle Buyer client issues in an informed, competent manner, keeping the Buyer’s interests at the center of any conflict resolution processes.
7. Complete a purchase agreement that aligns with a Buyer client’s goals and objectives.

**Working with Buyers**

**What Buyers Should Expect from a Buyer’s Agent**

* When acting as a Buyer’s representative, a Licensee should educate the Buyers on:
	+ Agency Disclosure Form—present and explain
	+ Fair Housing and Anti-trust
	+ Confidentiality
	+ Need for financing approval
	+ The steps for a real estate transaction as well as contract completion.
* Have a professional internet and social media presence that provides experience, testimonials, supporting links regarding a real estate transaction and outlines the benefits of working with the Licensee. *\*NOTE: Make sure brokerage information is prominently displayed in advertising and not substituted for team advertising.*
* Be appropriately professional in dress and manner whenever meeting with a client.
* A caring real estate Agent who isn’t inappropriately aggressive such as trying to push Buyers into making decisions more quickly than they want, especially if the Agent appears desperate to get a transaction into the pipeline.
* Conducts a thorough interview using active listening skills with the Buyers before showing properties to ensure efficiency, alignment with Buyer’s wants and needs to minimize issues relating to Buyer’s remorse.

**Buyer Interview “Open” Questions**

The first step in an interview is to disclose agency to the customer and discuss about revealing confidential information before Buyer representation is agreed upon.

Open questions are designed to gather information without “guiding” responses from the person being interviewed. Your interviews should always begin with open questions to establish rapport and set the tone for interaction.

In your group, write down as many “Open ended” Buyer questions you can think of that you feel are important and should be answered during the initial interview. (Questions should begin with the words what, where, why, why, and how.)

**Buyer Interview “Closed” Questions**

Closed questions are designed to confirm or clarify information that you have already learned. These types of questions are used typically at the end of an interview.

In your group, write down as many “Closed” Buyer questions you can think of that you feel are important and should be answered during the initial interview. (Questions should begin with the words what, where, why, why, and how.)

* Shows confidence and support in working with the Buyers for their property search, without making personal value judgements.
* Place the clients’ interests before the Agent’s which means they should be impartial and focused on the client’s needs and property parameters.
* Provide realistic, unbiased information regarding the existing real estate market and negotiating strategies.
* Provides information resources (as permitted by law) for Buyers which they request which will ultimately impact their decision-making; neighborhood, location, schools and special needs.
* Locate the best property possible within the confines of the Buyer’s ability to purchase and preferences by searching the following:
	+ Multiple Listing Service
	+ New Construction
	+ Expired listings
	+ For Sale By Owner offerings
	+ Foreclosures
	+ Neighborhood canvas - NOTE: If the Licensee is not willing to search beyond the Multiple Listing Service, an agreement should be written up between the Buyer and Buyer’s Agent outlining that understanding.
* Assist in securing a pre-approval from a reputable lender.
* Outline elements of factors that impact the value of a property so that Buyers can determine the pricing they wish to commit to in an offer.
* Competence in writing up offers and conducting the negotiation process professionally and keeping the Buyer’s interests at the forefront, unless restricted by Dual Agency.
* Provide resources on inspection companies and stress the value of a Buyer learning as much as they can about a property before closing the transaction.
* Be an advocate during the inspection process (unless restricted by the status as a Dual Agent);
	+ Set up inspections within the time frames outlined in an offer
	+ Attend inspections *\*Unless prohibited by brokerage policy*
	+ Negotiate inspection issues to a satisfactory resolution
* Monitor the loan and appraisal process, if permitted by Buyer, to ensure everything stays on track to meet transactional deadlines.
* Maintain constant communication throughout the process with all parties.
* Assist in closing administrative tasks
	+ Title work and other final paperwork needed for compliance
	+ Resolving inspection and appraisal issues to satisfaction of all parties
	+ Scheduling closing appointment and attend to insure no last-minute glitches.

**Wrong House Goof**

An Agent works efficiently. He reviews the MLS, prints out the MLS sheet, then handwrites the addresses on a note pad. He leaves the MLS copies in the office. The Agent takes Buyers to 127 Adams Street (a new construction). The actual listing is at 129 Adams Street. The Agent’s handwriting is so bad, he has misread the address. As they arrive at 127 Adams Street, the Agent notes there isn’t a real estate sign in the yard. At 129 Adams Street, the builder had put the sign in the garage as he worked on the lawn. The Agent knocks on the door of 127 Adams Street and announces they are there to see the house. The residents let them in. The Buyers love the property and rush back to the office to write an offer. The Agent tosses the handwritten sheet and pulls the MLS document for 129 Adams Street. He still has not realized he showed the wrong property. He writes the offer for 129 Adams Street (a property the Buyers had not seen), presents the offer and it is accepted as written by the Builder. Three days later, the Agent meets the Buyers in front of 127 Adams Street for the inspection and sees the inspector is on the roof of 129 Adams Street. That is when both the Agent and Buyer realize they purchased the wrong house.

What would you do?

**I Want My Money!**

The Listing Agent (acting as a Dual Agent) has shown their Seller’s listing three times to Buyers who are still trying to make up their mind. The listing expires and the Agent did not provide the Sellers with the name of the interested Buyers. Two days after it expires, the Buyers make an offer on the property directly to the Sellers which they accept. The Agent is flustered and insists that the Sellers owe him a commission. The Sellers claim they don’t owe the Agent the commission because the Agent never reserved the Buyer and the listing expired.

What happens next?

How can you avoid this situation?

**Wrong Answer**

An Agent is acting as a Limited Dual Agent with her own Sellers and Buyers. The Buyers did not do any inspections. The property closes that afternoon, a hot July day. The Dual Agent does the final walk through with the Buyer who notes that the finished attic space where the new master bedroom is seems to be extremely warm and asks, “Why isn’t the air conditioning working up here?” The Dual Agent then replies, “It is because the vents are closed. The Sellers want to keep their utilities costs down”. The Buyer proceeds with the closing assuming nothing is wrong. A week later, the Dual Agent receives a letter from an attorney insisting that the Dual Agent is to pay for air conditioning to be installed in the attic area. As it turns out, there were no vents to the attic, the Seller never installed air conditioning vents to that area.

What do you do?

How can you avoid this situation?

**Writing the Offer**

The Listing Agent is in a Dual Agency situation and writes an offer for their Buyer on their own listing. Shortly afterwards, the Dual Agent receives notice of 2 other offers coming in from other co-op Agents and should be arriving in the next 30 minutes.

What is your company policy in terms of presenting the offer the Agent (who is in Dual Agency) has written? Are you encouraged to get the offer to the Seller right away before the other offers come in? If you don’t do that, are you compromising agency to the Buyer client?

What should the Dual Agent’s responsibility be in a multiple offer situation? Who presents the offer to the Sellers, negotiates it in order to keep it fair?

What if the other offers are coming in from your brokerage? Does the process change?

What is your procedure in discussing multiple offer situations with the Seller?

Can Sellers dictate when to start receiving offers and when to stop, regardless of what may have been received by the Agent? What procedure would you recommend in how to handle this?

**Negotiation Skill Building**

**Negotiating Offers to Acceptance**

* Offers for the sale of real estate are legal documents that outline the conditions for the transfer of title to another party.
* Verbal discussions and agreements occur during the negotiation process, but ALL *legally enforceable* real estate contracts must be in writing as directed by the Statute of Frauds.
* All parties engaging in signing a legal document must be competent – free of addiction or mental incapacity.
* All parties with an interest in the property must sign the purchase agreement, for example, husband and wife, except where a legal instrument granting authority such as a power of attorney is used
* Terms and conditions must be a result of a meeting of the minds between all parties.
* Offers are typically initiated by the Buyer(s); however, a Seller may also submit an offer to anyone they wish - the “process” is the same. It may be unusual, but not unheard of, especially if the Seller knows of a person who has expressed interest in the past and they are ready to commit a casual conversation to a reality.

**Pre-Offer Questions to Ask Listing Agent**

In your group, write down the questions you could as a Listing Agent in order to gather information about a property you are preparing an offer on.

* Before any offer is written, a Buyer’s Agent should contact the Listing Agent to secure information that might give them a competitive advantage. An experienced and professional Listing Agent will be cautious about what they have permission to reveal, however, that shouldn’t hinder a Buyer’s Agent from asking questions such as:
	+ Are there any other offers on the property that we would be competing against?
		- Do you have permission to reveal the terms of those offers?
		- Are any of those offers yours (the Listing Agent) and is a Dual Variable rate in place? If yes, what is the percentage difference?
	+ Has your Seller accepted any offers that fell through? If yes, can you provide why it did not close?
	+ Is the Seller Property Condition Disclosure Statement current?
	+ What are the top three things your Seller would like to see in an offer that would give it a competitive edge? We can’t guarantee we will include these items but will keep it in mind.
	+ Will the Seller(s) accept financing that may not be listed on the MLS?
	+ When will you be presenting this offer? Will you be doing it electronically or face to face?
	+ What is your Seller’s preferred closing and possession dates?
	+ Have any inspections been done on the property within the last six months and would the Seller be willing to provide the Buyer a copy of them?
	+ What comparables did you use in establishing pricing for the property?
	+ Would you be willing to provide utility, assessment, etc. information for the Buyer’s review?
* Licensees should enter carefully into discussions regarding contents of a written offer to ensure terms and conditions are understood fully and no federal laws are violated, such as Fair Housing.
* Nebraska law dictates that all offers must be presented to the other party (Sellers) as soon as reasonably possible, even if the property is under a currently accepted offer by another party.
* The way an offer is presented to a client depends upon the agency status of the Licensee.
	+ If the Agent is a Buyer’s Agent, they may fully advocate on behalf of the Buyer(s).
	+ If the Agent is a Seller’s Agent, they may fully advocate on behalf of the Seller(s).
	+ If the Agent is a Dual Agent, strict rules of conduct and impartiality are in place, allowing no favoritism to either the Buyer(s) or Seller(s).
* All parties to the negotiation should be acting in good faith and be accountable for thorough reviewing of the terms and conditions of any offer.
* Seller’s Agent should prepare an accurate net sheet on all offers.

 **Buying Signals**

List 10 verbal buying signals.

List 10 non-verbal buying signals.

 **Prepare Your Buyer’s Offer**

**General Information**

* You are a Buyer’s Agent and not in Dual Agency.The Senior Buyers are frustrated with the options available to them because of their lower property sale price that they wish to purchase. They are scaling down in size to maximize their retirement funds. However, this property fits most of their needs and they wish to make an offer.
* The date is today.
* On the average, properties under $200,000 sell within 30 days in your market and housing appreciation is stable per assessed valuations done in the last year.
* Interest rates range from 3.75% to 4.25% for a 30-year fixed, an adjustable rate runs 3.25%
* There are other Agents writing offers at the same time you are

**Property Description**

* Located at 500 Maple Street, Huskers, NE – a 1900 square foot 3 bedroom ranch
* The property has been on the market for 5 days at a price of $170,500.The assessed value is $162,750.The property sold 2 years ago for $155,000.
* The property was built 25 years ago and is in average condition.
* Dog kennel with cement pad in the back yard as well as a large wood children’s swing set.
* Privacy fence is in poor condition.
* Wood deck railings feel unstable.
* Large wooded lot.
* Water softener does not stay.
* No water in basement but some cracks are evident
* Stove, dishwasher, garage door openers stay with property.

**Buyer Description**

* Currently owns a home (which is not under offer yet – listed for $335,000).
* The Buyers will be leaving their stove, refrigerator, microwave, washer, dryer, and water softener.
* The Buyers owe $75,000 on their current mortgage and are qualified and pre-approved for a bridge loan, but they prefer not to use it unless ***absolutely necessary***. There is almost enough equity in their home to pay cash for the new property.
* The Buyers are pre-approved up to $325,000 and have yet to lock in an interest rate. They do have additional funds of $30,000 that can be used for renovations, but they prefer not to use it if possible.
* The Buyers are in their seventies and still in good health. They are new to the city as they have moved from a more expensive metropolitan area. They have four cats.

**Offer Worksheet**

**Sales Price \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Your Logic for this **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Offer amount **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Earnest Money \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Logic **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Closing Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Possession Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Financing Terms**

Type of financing **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

LTV % **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Interest Rate **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Term of Loan **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Final Loan Approval **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(i.e., appraisal is done –

clear to close)

Logic **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Inspections \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Respond By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Negotiation Skill Building**

What are ways that Agents incorrectly use a real estate contract as a negotiation tool?

What are recommendations you can make to other Agents in order to ensure they don’t become the problem to effectively negotiating an offer?

Are Counteroffers required to be in writing initially or is it okay to do verbal discussions back and forth and then do the counteroffer in writing? When has the offer to purchase formally been countered?

What are the pros and cons of an escalation clause (Example: “Buyer will pay $500 over the highest offer price received (Seller to provide documentation) but not to exceed a price of $250,000?)

**Confidentiality and Shopping of Offers**

* Listing Agents are required to follow lawful, ethical instructions from their clients in the same way that Buyer Representatives must follow lawful, ethical instructions from their Buyer clients.
* Once the Seller has an offer to purchase, it is their prerogative to release or not release information about the offer to competing Buyers.
* If a Licensee is instructed to shop an offer, they should obtain the legal written instruction and have it in their file in case of questions by cooperating Agents.
* Any “shopping” of offers should be reviewed with the Seller for pros and cons.

**Multiple Offer Handling**

* Goal is to establish a fair and honest way of handling multiple competing offers.
* A balance between being honest with all parties, presenting offers and possible counteroffers objectively and in a timely manner and cooperating with other Agents objectively is necessary.
* Designated Brokers should confirm what their Errors and Omissions insurance coverage dictates as it relates to handling offers and related liability/exclusions.
* Primarily, the concern centers on how much risk an Agent is willing to assume and how it relates to fiduciary responsibility.

**Multiple Offers – Face to Face**

* Present all offers at the same time (if possible) and present to Sellers in no particular order.
* Have Sellers select which offer to consider first.
* Review the pros and cons of the offer.
* Have Sellers select the next offer to review and determine the pros and cons of the offer.
* Have Sellers select which offer to “work” with and begin negotiations.
* If initial negotiations fail on the first choice, move to the second offer.
* Some offices do “Highest and Best” and then begin the process just once.

**Multiple Offers – Electronically**

* Send all offers electronically (DocuSign, Dot Loop, etc.).
* Have all Sellers call a conference line number ([www.FreeConferenceCall.com](http://www.FreeConferenceCall.com)).
* Have all Sellers join a meeting online ([www.Join.me](http://www.Join.me)). When they join, they will see only what is on the Agent’s computer.
* Listing Agent then talks the Sellers through the offers, in no particular order and answers any and all questions.
* Seller selects which offer to consider first and begin negotiations.

**Buyer’s Agent Tasks**

* Make sure an estimated closing statement is prepared at the time the offer is written. (NAC Title 299, Ch. 5, Sec 003.11)
* Make sure buyer has a copy and has reviewed the Seller Property Condition Disclosure Statement before making an offer, law requires this statement before entering into a binding contract
* Beware of cyber security phishing scams and educate your client. Don’t send money or provide account numbers based on an email or phone call. Contact by phone someone you know in the transaction before responding to any type of request like this to confirm legitimacy of the request.
* Ensure that all signatures have been procured on the documents.
* Submit all paperwork to Designated Broker, which includes all paperwork necessary for audit compliance.
* Get complete copies of everything signed by the Buyer and make sure client has a copy.
* Monitor the MLS to ensure listing has been updated.
* If applicable, send copies of documentation to the title company and/or attorney.
* Set up inspections as needed for whole house, termite, well, septic, mold, roof, etc. and attend the inspections. Submit requests for repairs to Listing Agent within the time frame established in the contract.
* Follow up with mortgage company on appraisal and loan approval status, if permitted, on mortgage progress. Keep Listing Agent in the loop until have final “clear to close” commitment from the Lender.
* Monitor contingency deadlines outlined in the contract and follow up with necessary parties as needed.
* Update internal operational software of client status and update internal checklists as needed for monitoring the contract tasks.
* Schedule closing for the Buyer with attorney or Title Company representative.
* Make sure any title issues are resolved by Sellers prior to closing date.
* Take Buyers through property for final walk through. Submit concerns to Listing Agent prior to closing. Follow up on resolution of those issues.
* Confirm title insurance commitment, if applicable.
* Make Homeowners Warranty available at closing for Buyers.
* Review HUD – 1, confirming Seller commission and Buyer concessions and verify closing figures.
* Review all closing documents with closing Agent and/or attorney, as needed.
* Present Buyers with closing gift.
* Secure new contact information for both Buyers and Sellers for future follow up.
* Update internal contact management files, and update transaction checklists as needed.
* Connect with Buyers two weeks and six weeks after the move to ensure no issues.
* Handle conflicts, if any as they arise promptly and professionally.

**Administrative Best Practices to Ensure Compliance**

* Duties and tasks vary in how a Designated Broker requires compliance in terms of closing out a transaction.
* Seek advice from attorneys or experts when you don’t know answers, or the process involved.

**Administrative Closing Tasks**

Once you receive an executed Purchase Agreement, list the next 10 steps your administrative staff needs to do in the closing process to ensure audit compliance to Nebraska documentation.

List the steps that should be done to safeguard data storage and staying in compliance with consumer privacy.

**Transaction File Documentation**

 https://nrec.nebraska.gov/pdf/tamanual.pdf

**Real Estate Transaction – Trust Account Records**

* The Nebraska Real Estate License Act and Rules require each Broker to maintain a bookkeeping system which clearly and accurately accounts for all trust funds received and how those trust funds are disbursed.
* Section G of the Sales Accounts Chapter of this Manual provides the Licensee with illustrated examples of trust account bookkeeping for a sales account.
* Chapter 3-001 of the Commission Rules states, "It shall be the duty of each broker to preserve for five years following its consummation records relating to any real estate transaction." Records which must be maintained by the broker include, but are not limited to:
	+ Listing agreements and any extensions thereto
	+ Agency agreements and disclosures
	+ Seller Property Condition Disclosure statements, when applicable
	+ Estimated closing cost disclosures, when applicable
	+ Purchase agreements and any addenda thereto
	+ Closing statements - Buyer and Seller\*
	+ Checkbooks and checkbook registers
	+ Checks - canceled, voided, and unused
	+ Financial institution statements and reconciliations
	+ Deposit slips - originals and/or duplicates
	+ Bookkeeping system - general ledger and sub-ledger
	+ Supporting vendor invoices, if applicable
	+ Records of funds coming into the broker's possession which bypass the trust account
	+ Any other documents pertinent to the transaction.
* Provided - it shall not be considered a compliance issue if the closing statement is absent from the file because the financial institution, closing Agent or other party with access to the records will not provide such statements due to privacy concerns.

**Property Management Accounts – Trust Account Records**

* Send all offers electronically (DocuSign, Dot Loop, etc.).
* Have Management agreements
* Lease agreements
* Checkbooks and checkbook registers
* Checks - canceled, voided, and unused
* Financial institution statements and reconciliations
* Deposit slips - originals and/or duplicates
* Bookkeeping system - general ledger and sub-ledger
* Property owner financial reports
* Supporting vendor invoices.
* Records of funds coming into the broker's possession which bypass the trust account.

**Appendix**

**Session Evaluation**

Session Title: Real Estate Practice – Part 3 Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Presenter:

1. How did you find out about this program? (Select all that apply)

\_\_\_ Calendar handout \_\_\_ College Bulletin \_\_\_ E-Mail \_\_\_ Fax

\_\_\_ Internet \_\_\_ Mail \_\_\_ MLS \_\_\_ Newsletter

\_\_\_ Word of mouth \_\_\_ Workplace \_\_\_ Other

**Session Evaluation Very**

 **Excellent Good Good Fair Poor**

1. Session content (worth time and money invested) 5 4 3 2 1
2. Contribution to overall career knowledge 5 4 3 2 1
3. Likelihood of actual use of session material 5 4 3 2 1

**Presenter Evaluation**

1. Demonstrated material and subject knowledge 5 4 3 2 1
2. Use of visual aids and technology 5 4 3 2 1
3. Encouraged student involvement & participation 5 4 3 2 1
4. Handout organization & ease of use 5 4 3 2 1
5. Handling of student questions & feedback 5 4 3 2 1
6. Overall presentation style 5 4 3 2 1
7. What could be done to improve the session? (Please use the back if you need more room)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. If you felt the session was worthwhile and beneficial, please write down your comments for the meeting planner. (Please use the back if you need more room).

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***I hereby give \_\_\_\_\_\_\_\_\_\_\_\_ permission to use my comments in her advertising efforts utilizing any and all media (i.e., internet, newspaper, radio, brochures, etc.)***

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Sign Name Date Print Name