

BUYER REBATE FAQ'S

Thank you for your interest in our exciting Buyer Rebate Program. This Program is designed for those individuals that are willing to do some home searching on their own in an effort to save even more money at closing. We do require you send us your mortgage pre-approval from a qualified lender before we get started. We can assist you in getting your loan process started if needed, at no additional cost. It only takes a few minutes on the phone. We have lenders for all different levels of credit.

1. How to Get Your Cash Back Rebate?

In order to get a cash back rebate from Cottage Street Realty, a buyer rebate agreement must be signed. All MLS listed properties are available for public viewing on various MLS websites as well as Realtor.com. Not only can you be completely self-efficient in your search by utilizing the tools on the internet, but you have a better idea of what you want than the typical agent selecting properties for you, this will save time. Once a property is chosen we write and present the offer to the listing agent. From that point, we handle the negotiations, and assist in meeting the details of the contract thru the day of closing. An agent representing a buyer normally gets 3% of the purchase price. We give you up to half of that back. If the commission is less than 3%, we always get a minimum of 1.5%.



2. Can I Get Rebate with New Homes Builders?

Yes. Getting your rebate when buying a new home is the easiest of all. All the major builders welcome agents, and there are never any discounts if buyers purchase directly from builders, so getting the rebate makes perfect sense. Just be sure when you register - you tell them and sign the register that you have an agent.

3. Does the Rebate Amount Vary?

Our personal service fee is always a minimum of 1.5% of the transaction. If there is 3% paid to the buyer's agent, your rebate will be up to half of that, if the commission is 2.5% your rebate would be up to 1%. The terms of the rebate are spelled out in our Buyer Rebate Agreement.

4. Is the Rebate Taxable?

The rebate is a large sum of money. Please ask your accountant for your final answer.

5. How to search for & find your perfect home?

Search for properties online using Realtor.com, Zillow.com & Trulia.com Custom property search allows you to save the results of your searches and pick up where you left off, simply by logging in. You can also program it to send you automatic email alerts for new listings that match your criteria.

6. Can I lose the rebate?

Yes, we will not be able to represent you until you have signed a Buyer Rebate Agreement (you may cancel this agreement anytime). The Buyer Rebate Agreement will protect and guarantee the rebate at closing and our services during the entire transaction. Once you sign a Buyer Rebate Agreement with us, you must disclose, let other parties know you are being represented. If you are asked if you have an agent, the most appropriate response is "YES, I/ we have an agent at this time". Never mis-represent yourself to a realtor and/or homeowner or trick him/her into showing you the property, then switch agencies, it's unethical. We will not be able to represent you if that occurs and you will lose out on the rebate.

After you sign the agreement, we will represent you as your buyers' agent, We will provide you with business cards, and you can use them to show agents and/or give them out at public open houses to inform other parties you're being represented. If when driving thru neighborhoods you see a home of interest, call us for availability. You do NOT need to tell listing agent or seller that you are getting a Rebate, but you must disclose you are represented. It does not hurt to knock on someone's door if you see a house of interest. We also advise that you sign in your name with Cottage Street Realty contact information at any open houses, and leave our business card to the showing agent.

7. Are Open Houses the Best Opportunity To Earn the Rebate?

YES, open houses are your best opportunity since the listing agent cannot claim you as their client. Sometimes, open houses are hosted by other agents in the same office or the homeowner. When you are asked to sign any paper or sign in sheet, read carefully before you sign. Always sign in your name with Cottage Street Realty contact information. Be sure to clarify to the agent that you are working with an agent already and present them with our business cards. Soliciting clients from other agents is strictly prohibited, so if someone tried to represent you after you told him/her that you are already represented, please notify us.

8. If we deal directly with the listing agent, wouldn't they be willing to give us a rebate? Or wouldn't the seller get a discount if we dealt with the listing agent or talked to the seller directly?

The buyer's agent's share of the commission is usually half of the total 6% commission. If you buy a house directly through the listing agent, all of that 3% will go to them, along with the other 3% they are probably getting for listing the property (total of 6%). Even if you deal directly with the seller, the standard 6% listing contract states the listing agent still gets the full commission. No discounts for the seller finding the buyer, even if the buyer is his brother and the agent did absolutely nothing other than sign the listing agreement. The standard 6% Exclusive Right to Sell Listing Agreement is 100% biased toward the realtors. The other factor is that almost all the big brokers don't allow their agents to do these kind of discounts. Even if they *were* allowed, it still wouldn't work because after the agent split the 3% with their broker, there wouldn't even be enough left to give you half of their commission anyway. You probably don't realize that most agents must share 50% of their commission with their broker at the big name companies. Even if they agreed to work for free, they wouldn't be able to give you half of their commission.

Another important factor, do NOT ask the listing agent to provide you with a rebate. It compromises your negotiation when the sellers know you have a rebate. Let us get you the best price first. Only at closing, will the other parties find out about the rebate when they see it on the HUD.

9. What if there's just no way for me to get inside to see a particular house, I must have Cottage Street Realty Agent to show me the home, Can I still get a cash rebate?

YES! There is always a way to see the home, as long as it is available. If the listing agent is not having any open houses, we will assign you a Cottage Street Realty agent to show you the home by appointment. You will drive by homes of interest to make sure that the exterior of the home is appealing to you. When you are ready to view the interior of a home, contact your assigned Cottage Street Realty agent and he/she will arrange the appointment. Operating this way eliminates time wasted by our agents showing homes that are undesirable from the outside. Because you are helping us work more efficiently, we can afford to reward you a portion of our commission in the form of a rebate at closing. The rebate to our Buyer Client varies depending on the number of homes physically visited by our agents (see schedule below). The maximum rebate is Half of our 3% commission (minimum we receive it 1%).

Homes Visited With Cottage Street Agent:	Max % of our Commission we will rebate to our buyer:
0-2	Up to Half of a 3% commission
Up to 10 hours showing time	1.25%
Up to 12 hours showing time	1%
Up to 14 hours showing time	1/2%

Please take a look at the chart below at our fees. These fees are subtracted from the rebate as follows:

- Any travel time during rush hour traffic (7am – 9am or 4pm – 6:30pm) - \$100/per hr.
- Attending the home inspection - \$100.00 per hour
- Attending the walk-through - \$100.00 per hour
- Attending the closing - \$250.00

*Please NOTE: This program is not intended to rush buyers into making a quick decision. It is not designed to punish buyers that view more homes. It is designed to reward the buyers that take the time to do research prior to setting up showing appointments. Rebates can be impacted by lender guidelines. Please discuss the rebate with your mortgage professional to see if there are any restrictions.

* It is our intent to pay the rebate directly at closing, on the HUD-1, which will allow you to use the funds immediately at closing. In some cases, lenders will not allow this. If this is the case, then a check will be issued from the broker, once funds have been received from the settlement.

** All Rebates are dependent on seller paying a 3% commission to agent. This rebate is on the base price of the home only – any options or other add-ons are not included. Rebate is not valid on short sales.

*** It is not required for agents to attend closing with clients, this is typically done so agents can assure they got their correct commissions, we will review the HUD with you the day of or day before closing, but if you wish for the realtor to attending the closing, a \$250 fee will apply.

Please Note: When any kind of Housing Assistance Program is involved (specifically on Government loans (FHA/VA)) monies cannot be rebated back unless the bottom line from the buyer is at least their required investment - Qualified monies needed for the loan per lender/investor guidelines/requirements - As any rebate at or after closing could be considered inducements or kickbacks and therefore are disallowed. In those cases the borrower would need to buydown the rate (more points paid) or in the case of FHA pay the MIP in cash vs finance at closing.

There may be tax consequences to the rebate.

If you need legal or tax advice, you should consult with the appropriate professional. Offer subject to conditions, limitation, exclusions, modifications, and/or discontinuation.

This offer is good only to buyers who come directly to Cottage Street Realty, LLC agents working with For Sale By Owner and mention they saw this offer. Buyer must sign a Buyer Agency Agreement with the Broker before seeing homes and show **pre-approval letter**.

Affiliated Business Relationship Disclosure

The purchaser hereby acknowledges that they have been informed that For Sale By Owner - Crevier-Kent, Inc. or some of its principals or members may have a financial interest in the following companies:
All American Title / FSBO Title

As a result of said financial interest, For Sale By Owner - Crevier-Kent, Inc. or some of its principals may receive compensation or some benefit.

The undersigned have read this disclosure and have executed same of their own free will.

_____	_____	_____	_____
Buyer Signature	Date	Buyer's Signature	Date

Sincerely - Cottage Street Realty and For Sale By Owner/Crevier-Kent Inc.