

Broker's Recommendations to URG Agents

- 1) **If you are representing a Buyer:** Have your Buyer obtain a fully underwritten loan approval PRIOR to showing them properties or making an offer (this is not required, but is definitely a best practice). It will save you from potentially wasting time with an unqualified Buyer, and will make for a much smoother transaction once your Buyer's offer is accepted. You can even go the extra mile, to get your Buyer's offer accepted, by letting the listing agent know that your Buyer is approved for a loan through Stearns Lending, and sending the listing agent a copy of the written "Close-On-Time Guarantee".
- 2) **If you are representing a Seller:** Have The Laura Lee Team vet all of the offers you receive on your listing, to ensure that the Buyers' financing is solid, before accepting an offer (you can enter the following into the "Confidential Remarks" area of your MLS listing: *"All Buyers must cross-qualify with The Laura Lee Team @ Stearns Lending. Please call (866) 469-2717 or email TheLauraLeeTeam@Stearns.com to cross-qualify"* (please let your Seller know the benefits, and make sure they are on board with this approach before requiring Buyers to cross-qualify with The Laura Lee Team. Once educated about the benefits, Sellers are typically not only on board, but will also be grateful that you are suggesting this extra step to help ensure they select the right offer). Take a copy of The Laura Lee Team's written "Close-On-Time Guarantee" with you to your listing presentations, and let your Seller know that you have a great lender who will be double checking the solidity of the Buyer's loan approval for each offer you receive, and will guarantee an on-time closing if the Buyer chooses to work with them. Also, tell your Seller-client that you recommend including the following language in the counter offer to the Buyer whose offer your Seller is considering accepting (**Note:** add the following text in red font, the text in black font is instructional only. Also, if the liquidated damages provision is NOT agreed to by the parties in the purchase agreement, then delete the portion of the paragraph below that falls in between the green double asterisks *): *"If Buyer fails to close escrow by XX/XX/XXXX, and Seller agrees in writing to an extension of the closing date, Buyer shall pay Seller a per diem fee of \$100 for said extension, beginning on XX/XX/XXXX (day after escrow was originally supposed to close) and ending on the date escrow actually closes. **Should Buyer fail to close escrow altogether, after Buyer has removed any and all applicable contingencies, any per diem fees due from Buyer to Seller (from XX/XX/XXXX (day after escrow was originally supposed to close) through date of cancellation of contract), shall be added to Buyer's initial deposit and become a part of the liquidated damages provision of the Agreement, up to the maximum total liquidated damages amount legally allowed (in this event, Buyer agrees to sign any additional separate liquidated damages provision and/or escrow instruction as necessary, incorporating the applicable per diem fees as liquidated damages). ** If Buyer elects to obtain financing through The Laura Lee Team @ Stearns Lending, this paragraph shall be deleted from this counteroffer/addendum (whichever is applicable)."* Finally, let your Seller know that by taking the above described approach, they are protecting themselves, to a certain degree, from a Buyer who does not close on time. By negotiating per diem charges, the Seller will be compensated, one way or the other, in the event the Buyer removes contingencies but does not close on time (If the Buyer DOES NOT choose to work with The Laura Lee Team, the Buyer would

be responsible for any applicable per diem charges. If the Buyer DOES choose to work with The Laura Lee Team, and Laura's team is unable to get the loan closed on time, then The Laura Lee Team would cover up to \$1,000 towards any applicable per diem costs to your Seller). Either way, your Seller is compensated!