

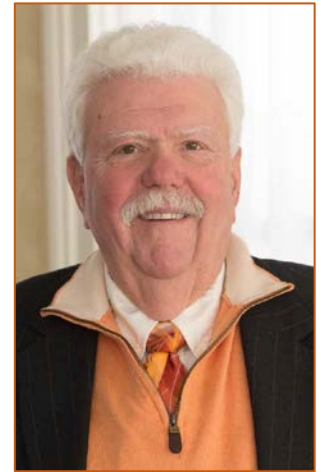
Contract & Forms, Michael Shepard

Exclusive Right to Sell Agreement

There were only slight changes to the agreement this year.

First, please make sure if you have entered SAC (**Sub Agent Compensation**) in the MLS, that you have a signed consent form... When updating the database, Sandy found several hundred listings that offer the fairly rare option for all MLS cooperating brokers to act as subagents for the seller – we just want to make sure that you understand what the means and that the seller has signed the state mandated consent form if you intend to extend that option.

We've also added "**encumbrances**" disclosure to the Exclusive Right to Sell, so you can have the conversation with your seller up-front about solar panels, hot water tanks, or any third party contractual obligation that you need to know about that will impact the sale.



Purchase and Sale Agreement

We reached out to area insurance agents and separated the **mortgage and insurance contingency** language so that both buyers and sellers have adequate protection. We tried to make the language simple to understand, yet cover the parties the best that we can.

With longer closing time frames, sellers should know that there is a potential that insurability could come up as far as 45 days to the closing. All sides should make sure that the buyer makes an insurance application as soon as possible to eliminate any issues up front. You should also know that buyers have an obligation to make a good faith application in order to be protected by this clause, so it's in everyone's best interest to get the insurance binder at the initial stages of the purchase process.

We've also significantly changed the Risk of Loss clause. If something major happens to the home between before the sale takes place, the issues will most likely require a custom solution that works with the needs of the parties, their attorneys and the lender. We found it impossible, with the regulatory changes in the insurance industry, to create a solution in the P&S for the house burning down or a storm ripping the roof off.

Waiver of Professional Home Inspection

The Home Inspection Contingency has undergone changes in the last several years – and today it stands that the P&S agreement allows a buyer to cancel the P&S by providing written notice. The clause does **not require a licensed home inspector**, or even a licensed professional. If the buyer finds something to be unsatisfactory during the time they have to inspect, they can terminate the agreement.

A Buyer's agent still has the legal obligation to provide the Home Inspector Facts for Consumer's brochure and to encourage licensed professionals to inspect the home if that is in the best interests of the buyer. You can, and should, help arrange for general home inspections and/or specialty inspections such as pest, well, heating/cooling, sewer lines, roof etc.. Should your buyer client decline to obtain a Licensed Home Inspection, a form is available where they **acknowledge the risks of that decision**.

Purchase and Sale Contact Worksheet

I know that there is angst about adding the buyer / seller phone and email on the **contact worksheet**. Please understand, we need this information so if you are not comfortable providing it to the other agent – you don't have to... you do need to write or call the lender and the attorney with this information though... and now we can note that critical data on one form.

To all buyer agents - I can't express how important this form is to all professionals in the process – to the lenders and attorneys, this data is **incredibly helpful in creating our closing documents**. Without it, we have to follow-up over and over with the agents in a perpetual hunt for this simple data – you can help your clients significantly by giving this information to your lender and lawyer as soon as they are selected!

Also, we clarified the **brokerage license number** that we need, and that is printed right on the form so that there is no confusion.

Suggestions

The far majority of our work is done based on suggestions we receive from you – during a heated transaction or when you stumble across something that can be done better. That's the beauty of our forms and our process – **we change to meet emerging business needs**. So, please send along your comments and ideas – we already have a running list for the next meeting.

I also want to ask that those who serve on the committee to stand and be recognized. This is one group that hotly debates and discusses every period, comma and big picture principal and they serve you incredibly well.

Thank you for allowing me to participate.

(please see the next page for a list of all of the forms we offer)

All contracts, forms and brochures are available at no-cost in the MLS system. There, you can populate the data fields from your contact management system, the listing data, or member profiles.



Note: Seller's Description of Property, Facilitation Contracts & forms and brochures

**STANDARD BERKSHIRE COUNTY MULTIPLE LISTING SERVICE
EXCLUSIVE RIGHT TO SELL CONTRACT**

MLS #

► **1. PARTIES**

Seller(s) Name(s) ("SELLER")
 Mailing Address:
 Broker / Corporation ("BROKER")
 Property Address ("Property")

Agency Agreements

- Mandatory Consumer-Licensee Disclosure
- Seller & Buyer Notice of Design. Agency
- Seller & Buyer Notice of Dual Agency
- Consumer Guide to Representation
- Dual Agency Roles

Seller Agreements

- Seller's Consent to Designated Agency
- Seller's Consent to Dual Agency Addendum
- Seller's Consent to Sub-Agency
- Seller's Deferral of Showing Addendum
- Seller's Exclusive Right to Sell Agreement
- Seller's Refusal to List Property in the MLS
- Modification of Exclusive Right to Sell
- Open House Disclosure
- Carbon Monoxide & Smoke Detector

Buyer Agreements

- Buyer's Exclusive Right to Buy Agreement
- Buyer's Consent to Designated Agency
- Buyer's Consent to Dual Agency Addendum
- Waiver of Professional Home Inspection
- Home Inspector Facts for Consumers
- Right to Farm Disclosure
- Sex Offender Registry Information
- Flood Insurance Information
- Massachusetts Homestead Act

Purchase & Sale Agreements

- P & S Agreement
- P & S Agreement Land
- P & S Contact Worksheet
- P & S Extension of Time for Contingencies
- P & S Extension of Time for Performance
- P & S General Addendum
- P & S Income Property Rider
- P & S Instructions to Release from Escrow
- P & S Termination of Contract
- P & S Home Sale Contingency
- Bill of Sale
- Dispute Resolution System
- Lead Paint Property Transfer Notification

Environmental Fact Sheets

- Private Well Information
- Public Health Fact Sheet – Asbestos
- Public Health Fact Sheet – Lead Paint
- Public Health Fact Sheet – Fair Housing
- Public Health Fact Sheet – Radon
- Public Health Fact Sheet – Title 5
- Public Health Fact Sheet – UFFI
- Public Health Fact Sheet – UST
- Public Health Fact Sheet – Wetlands