

37 Expensive Mistakes Ann Arbor Home Buyers Should Never Make Again!

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Introduction

Buying a home is a complex process. There are many books and instructional materials available to help but they tend to be general and often have information that is only relevant to other parts of the country. This brief report is intended to give you, the local home buyer, some additional insight into the home purchase process in Washtenaw county. There is no intent whatsoever to disparage the work of other licensed real estate persons, either in the past, currently, or in the future. The thirty-seven mistakes represent a sampling of situations which have come up and been resolved in recent years. The list is not represented as comprehensive, rather, the list is meant to give the reader an idea of the kinds of subjects and situations which the home buyer may face. Hopefully, the information contained in this report will save you from making some expensive and frustrating mistakes.

TABLE OF CONTENTS:

Terminology pg. 3,4,
37 Expensive Mistakes pg.1,2,3
Author's background pg. 14,15

Mistakes you may make in viewing property pg 4

Mistakes you may make in dealing with agents pg. 5

Mistakes you may make on For-Sale-By-Owner (FSBO) homes pg. 9

Mistakes you may make with Inspections pg.10

Mistakes you may make with Attorneys pg.11

Mistakes you may make with Mortgages pg. 12

Mistakes in Employee Relocation pg. 14

Terminology

Because some of the labels in the real estate industry are misleading a summary of real estate agent terminology is provided here:

Listing agent (Typically a seller's agent)

An agent who, working under a listing broker, has signed an agreement with a home seller to market a home.

Selling agent

In this market selling agent describes the agent who brings a purchaser to a home. A selling agent may be a buyer's agent, a designated buyer's agent, a non-agent or a subagent. The use of this term is changing because a buyer representative should not be "selling" but should be counseling. Thus "selling agent" is really not appropriate to describe a buyer's agent.

Seller's agent

A seller's agent, under a listing agreement with the seller, acts solely on behalf of the seller. A seller's agent may be the listing agent, an agent from the listing brokerage, or a subagent from another brokerage. Seller's agents are required to disclose to the seller known information about the buyer which may be used to benefit the seller. (Seller's agents and their brokerages represent the best interest of the seller.)

Subagent (A type of seller's agent)

A subagent, under an agreement with the Listing brokerage, acts solely on behalf of the seller.

Subagents work with buyers showing them homes, helping them find financing, and disclosing known facts about a property. (They do not disclose information about a seller or a transaction if it might be used at the expense of the seller.) Subagents will disclose to the seller known information about the buyer which may be used to benefit the seller. (Subagents and their brokerages represent the best interest of the seller.)

Traditional agent (A type of seller's agent)

An agent who routinely acts as a seller's agent, subagent or listing agent.

Buyer's agent

An agent and brokerage who, working under a buyer's agency agreement with a buyer, acts solely on behalf of the buyer. Buyer's agents will disclose to the buyer known information about the seller which may be used to benefit the buyer. (Buyer's agents and their brokerages represent the best interest of the buyer.)

Dual agent

An agent who, working under a dual agency agreement, is trying to represent both the seller and the buyer. A dual agent will not be able to disclose all known information to either the seller or the buyer. The obligations of a dual agent are complex and must be set forth in an agreement between the dual agent, the seller, and the buyer. (Dual agents and their brokerages try to represent the best interest of the seller and the buyer, while fully representing neither.) (The fact that the dual agent supplies reduced services does not necessarily cause reduced compensation out of the transaction.)

Designated Buyer's agent

An agent who, working under a designated buyer's agency agreement with a buyer, acts on behalf of the buyer alone or with a "supervisory broker", without the rest of the brokerage. Other agents in the brokerage may be working against the best interest of the buyer or they may have information that would be vital to the buyer, but they don't share that information because only the designated agent and the supervisory broker represent the buyer.

Designated Buyer's agents will disclose to the buyer known information about the seller which may be used to benefit the buyer.

In our market most designated agency agreements have "built in renege clauses" so if the brokerage is also helping a seller in the same transaction, the "supervisory brokers" become dual agents. Or if the individual agent is also helping the seller that agent is allowed to become a dual agent. Thus, there is no loyalty involved in most designated agency relationships.

Designated Seller's agent

An agent who, working under a designated seller's agency agreement with a seller, acts on behalf of the seller alone or with a "supervisory broker", without the rest of the brokerage. Other agents in the brokerage may be working against the best interest of the seller or they may have information that would be vital to the seller, but they don't share that information because only the designated agent and the supervisory broker represent the seller.

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In our market most designated agency agreements have "built in renege clauses" so if the brokerage is also helping a buyer in the same transaction, the "supervisory brokers" become dual agents. Or if the individual agent is also helping the buyer that agent is allowed to become a dual agent. Thus, again, there is no loyalty involved in most designated agency relationships.

In-house sale

A sale in which the buyer comes directly to the listing broker. This is where most dual agency problems occur.

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Mistakes you may make in viewing property

1. If you think the traffic on the street now is going to be the traffic in the future: Traffic patterns change over time and a home is normally a long term investment. As Ann Arbor grows, the traffic on the main streets will!

continue to increase making homes on these streets less desirable compared to homes away from traffic. A home just a block into a neighborhood however will just have the traffic from the home owners in the neighborhood and that traffic will generally stay about the same over the coming years. In general, stay away from homes on busy streets if you are looking for appreciation unless you hope to change the use to commercial.

2. If you let either a seller or a traditional agent know your positive feelings about a home:

The negotiation begins when you step out of your car. If you tell a home owner you really like their house and it is the only house like it on the market, that weakens your negotiating position. It is best to only the minimum information about your needs and how much a home meets those needs. It often comes back to haunt you during negotiations.

3. If you use just the homes magazines to search for homes:

Only about one in four hundred homes sells directly from an advertisement. Real estate agents know this so they generally advertise to get buyers to call in on a home that has some obviously desirable traits. When you call, they hope to expose you to the rest of the market. This would give them a much better chance of finding you something. One broker up near Lansing reportedly advertised the same home in their homes magazines for a full two months after it had sold just because the picture of the home and the description brought in so many calls. You as a buyer normally just want to get an address to drive by and eliminate

the home as a possibility, exactly the opposite of what the agent has in mind. This is a very inefficient way to search for a home.

Mistakes you may make in dealing with Agents

4. If you work with an agent who has not given you a copy of the agency disclosure form or talked to you about agency:

Michigan law requires all real estate agents disclose to consumers who the agent is working for. Full disclosure requires that agents advise you of the responsibilities they assume under each kind of representation, and the responsibilities they will not provide under the other available choices. This knowledge is vital to you as a home buyer. If an agent can't be trusted to comply with Michigan law there is a good chance they can't be trusted with helping you make important buying decisions.

5. If you think a buyer's agent from a traditional brokerage will be telling you everything they know about a property purchase:

An agent from a traditional (Seller's) brokerage cannot be trusted to tell you everything they know about a property transaction because they could have learned important information about a property and the seller while acting as a seller's agent. Anything they learned about the seller's needs and negotiating position while working as a seller's agent they must now keep from you even when they are being your buyer's agent. Here is an example:

In a board meeting a traditional agent Joe from company A hears from a listing agent Beatrice of company B that a contract was signed on Beatrice's \$200,000 listing. The next week listing agent Beatrice tells Joe that the contract fell through because the buyer couldn't qualify. Beatrice says it would have been a great deal for the buyer because the contract price was only \$180,000. That week you, as a home buyer, sign a buyer agent agreement with Joe from company A. Joe is supposed to represent your best interest but both legally and ethically Joe cannot tell you about the \$180,000 contract price. In fact, Joe cannot tell you anything that he learned previously about the seller or the negotiation that may materially affect your new transaction.

6. If you do not ask a prospective buyer's agent how they negotiate on your behalf:

Your buyer's agent should be an expert in negotiation. Ask the prospective buyer's agent what negotiation systems or processes they use. As an example they should be able to tell you something like this: Negotiation fundamentally is the trade-off of risk Vs reward.

Negotiation generally has three critical elements; Time, Knowledge and perceived power.

Negotiation generally has three stages; initial positions, gathering data, and reaching for a compromise.

Outside authority (comparable sales information or inspection reports) is a much more powerful negotiating tool than personal opinion.

7. If you do not ask a prospective buyer's agent how they have saved home buyers money in the past:

There is no educational program that will qualify a real estate agent as a competent buyer's agent. You must rely on the agent's previous results. The results should be documented by the prospective buyer's agent. Ask for specific examples of how they saved a buyer money. Here are some examples:

Savings on purchase price is the most obvious. However, it is not always possible on a home that is offered at a competitive price to start with. Saving a buyer money on extras. This would be personal property like washers and dryers and lawnmowers that were not offered as part of the sale.

Saving a buyer money on mortgage costs. (See mortgages elsewhere in this report)

Saving a buyer money on repairs. Often, through negotiation, a seller agrees to repair items that were not offered as part of the sale.

Saving a buyer money on insurance, contractors and other outside services can also be substantial.

8. If you do not ask what happens when your agent is out of town: (Who will help you and what will their loyalty be?)

When you sign a buyer agency agreement you are making an agreement with the brokerage firm not just the agent. The question is: Will there be another agent at the brokerage who is competent to look after your needs if your agent is unavailable?

9. If you sign a long term buyer agency agreement with an agent you are not sure of:

If you are not sure of either an agent or the firm you might ask to sign up on a trial basis. A 14 day trial is reasonable. If a company balks at the trial period you may want to find another company.

10. If you let a seller's agent know how much you like a property or how many homes you have looked at:

Here is a "true life" example. One buyer client (Mr. J. and family) was buying a new home and selling their old home. They were referred to a good agent at one of the larger traditional real estate offices to list their old home. Another agent from that office (a subagent) brought an offer in on the home that would have been acceptable to the J. family. Before agreeing to the offer the J. family asked some important specific questions of the subagent. They asked the subagent what the new buyer liked about the home and how many other homes the buyer was considering. The subagent said they loved the character and really liked the addition over the garage. The subagent also said this is really the only home they are interested in. The J. family countered the acceptable offer about \$2,500 higher and that is what the buyer paid. If the J. family had not known how much the buyer liked the house they would have just accepted the initial offer. Those two sentences basically cost that uninformed buyer \$2,500.

11. If you think a traditional agent will help you get the best mortgage rate:

A top traditional agent from the Ann Arbor office of one of the large traditional real estate firms took us out to lunch a few months ago. She was considering representing home buyers and wanted to ask me some questions about the contract her broker wanted to use. When the discussion turned to mortgages and how we assist our buyer clients in securing their mortgage she was amazed. She couldn't believe that on the same day in the same local market there could be four to seven hundred dollars difference in closing costs on a mortgage. She was even more surprised that we could often negotiate lower interest rates and fees with a lender. We felt like even though she has sold dozens of homes she must have never really studied the process from the buyer's viewpoint.

(As a reference: That week we saved two of our buying clients over five thousand dollars by shopping and negotiating their loans.)*

12. If you think a traditional agent will help you write the best low down payment offer on a home:

We listed one of our income properties with an experienced (8 years) agent with one of the larger local firms. An experienced agent (6 years) from his office brought in a purchase offer. The offer was written with 5% down and the seller paying \$3,000 toward purchaser's closing costs. This would have been fine except the purchase price was about eighty thousand dollars. Mortgage companies will normally only allow a seller to contribute 3% toward purchaser's costs on a 5% down loan. Doing a quick calculation we could tell this agreement could never be approved by a lender.

If either of the two experienced traditional agents had noticed that the buyer could not get a mortgage with that purchase agreement the buyer's time and effort would have been saved.

13. If you tell a traditional agent about your geographic restrictions: Here is another "real life" story. We had some clients buy a country property on about two acres. The adjacent 10 acre parcel came on the market and they wanted to buy it. The only parcel in the world this buyer was interested in was the property next door. As the buyer's agent we kept the buyer's identity and location a secret from the seller during the negotiation and managed to save the buyer a significant amount of money. A traditional agent would have legally and ethically had to tell the seller that the buyer was the owner of the home next door and it probably would have cost the buyer more as a result. Confidentiality can be extremely important in a negotiation.

14. If you think that you, as a buyer, have to pay the same amount for limited services offered by agents who are not willing to commit to you as your exclusive buyer's agent:

You should beware of any agency contract that mentions the words "dual agent." This is a method of conducting real estate transactions which give the buyers less than full representation. A number of consumer publications suggest that, if you are involved in a dual agency situation you should negotiate a lower fee. This only makes sense, lower level of service and less responsibility, therefore less pay for the real estate brokerage.

15. If you let a traditional agent pre-qualify you:

If a traditional (subagent) knows how much home you can afford then they must tell any seller you are negotiating with that information. That can often hurt your negotiating position. If a seller wants to see a pre-qualification letter you can have your lender adjust the qualification amount down to the range of your desired mortgage for the home you are negotiating on. (You obviously need to tell a traditional agent the price range you are interested in to get started looking at homes.)

16. If you feel loyalty toward a traditional agent:

Traditional agents are normally trained to try to get a buyer to feel loyalty to them. There are many ways that they can do this; buying you lunch, taking you for tours of the city in their car or even showing you pictures of their family. Just remember the only obligation they have to you as a buyer is honesty. They are not supposed to lie to you. (The REALTOR code of ethics did require "fairness" but that has been removed.) Any information that the traditional real estate agent knows about you that can affect the transaction must be given to the seller because they do owe the seller confidentiality, loyalty, obedience, and full disclosure. The traditional agent, however, cannot share with you personal information about the seller which could benefit you at the expense of the seller.

Mistakes you may make on For-Sale-By-Owner (FSBO) homes

17. If you do not understand the FSBO seller's responsibilities in concluding a home sale on a property:

The standard Ann Arbor Board of REALTORS purchase offer form states a number of specific responsibilities for the seller. If a property is listed the listing agent usually handles these responsibilities. Many times without an agent involved these items become a last minute crisis.

The seller should contact a title company and give them a copy of the purchase contract. The seller should also try to get a discount if they can put their hands on their previous title work when they purchased the home or refinanced the home.

The seller should contract with the title company or an attorney to prepare the following documents:

Buyer's settlement statement

Seller's settlement statement

Calculation of tax proration

Warranty deed

Bill of Sale for personal property

18. If you do not get a seller's disclosure form completed and signed from the home seller:

As of January 7, 1994, virtually all sellers in Michigan must provide a Seller's Disclosure Statement. If they don't provide you one prior to your signing of a purchase agreement you can basically change your mind about buying that home and they can't hold you to the agreement. Even if they provide you with one later you still have an option to change your mind within 48 hours after they give it to you. You should probably consult with a professional before you try to use this escape but at least you know it is there. The real reason you want the disclosure is to be able to understand what the seller thinks the condition of the property is. This can be very helpful to review before your contractor's inspection. It can also be helpful if you buy the home and discover a defect that the seller covered up.

19. If you try to buy a FSBO home without seeing comparable sales information:

Unfortunately many FSBO home sellers have an exaggerated opinion of the value of their home. There are stories of transactions where the buyer's offer was either close to or at the asking price on a FSBO just because they like the home. After some negotiation, a contract price is agreed upon and then the bank appraisal shows that the home is not worth the contract price. This really upsets the sellers and it often destroys the deal. Before you negotiate on a FSBO home first ask if the seller has had a recent appraisal. If not, be sure to secure and study the comparable sales information before you commit to a purchase price.

Mistakes you may make with Inspections

20. If you use just a friend's recommendation for an inspector:

The use of professional inspectors is a fairly recent addition to the home purchase process. The average home buyer has probably not seen one. Even the worst professional inspector will probably impress a home buyer so don't just use a friend's recommendation. Talk to a number of inspectors and try to talk to a real estate agent who routinely represents buyers in real estate transactions. Ask to see a copy of a recent inspection report done by the inspector. It should be thorough and the writing should be readable.

21. If you use just a traditional agent's recommendation for an inspector: There is a great variety in terms of quality and focus when it comes to home inspectors. Most professional home inspectors get their business from referrals from traditional seller's agents (and subagents). Those inspectors may be too forgiving of a property's faults because if they 'blow the sale' by pointing out too much, they may never get a call from the seller's agent again. (In contrast, one local inspector told me he only gets calls from traditional agents when the agent wants to buy a home for themselves. This may be the type of inspector you want to have look at your prospective home.)

22. If you do not have an inspection on new construction: Often home buyers will buy newly constructed homes assuming that since they are new there will be no problems with them. Bad assumption! Even though most home builders are very sincere about building a quality home, often mistakes may be made, and in the rush to get a home built on schedule some of the mistakes get overlooked. In the last year the following kinds of mistakes have been made in this area: Wrong basements poured, wrong elevations built, chimneys built the wrong height, defective ceramic tile installations, missing insulation, incorrect materials, warped lumber, and many drywall mistakes. Having a professional look over the home before the drywall is put up and then again prior to closing is often the best strategy. You may also consider having a re-inspection before the home builder's one year warranty expires.

23. If you use just the listing agent's septic field inspection report (On septic field systems): We have seen a number of transactions where a listing agent has a septic tank cleaning company provide either a septic tank report or a septic field report. A septic tank report tells you virtually nothing about the condition of the septic field and by itself is almost useless. In one case a listing agent's field report failed to mention that there was a large tree about in the middle of the septic field. (Tree roots can destroy a field.) You should virtually always have your own septic inspection. Your inspection should identify the corners of the field and take at least two core samples, (the more concerned you are about the field the more samples an inspector will generally take). If it is an older system they should remove the inspection cover on the tank and check the tank size,

and the fill and drain tubes. Finally, you should review the Environmental Health Department's records on the well and septic system. A thorough septic field inspection may cost you \$150.00 but a replacement field can cost you a whole lot more.

24. If you use a friend to do your inspection:

A friend may be technically very capable of doing a home inspection. However, some of the worst inspections we know about have been by these amateur inspectors. There are a number of reasons for this: Often a part time inspector doesn't know what the "market norms" are. For example, probably half of the furnace humidifiers in this county do not function properly. Arguing with a seller about a humidifier is often a waste of time. On the other hand most of the amateur inspectors seem to overlook sidewalks that have trip hazards and this is something that generally should be brought to the seller's attention. (The Ann Arbor city government requires sidewalk joints to be level when they do their inspections every three years or so and FHA loans may require repair of sidewalks before closing.)

Often amateur inspectors don't have the proper tools and test equipment. As an example a furnace should always be checked for carbon monoxide output into living space. Few amateur inspectors can afford professional equipment to make this test.

Most amateur inspectors don't have a complete checklist of items to look at. There are hundreds of things to look at in even the smallest of homes. A good checklist is a requirement for a good inspection.

Mistakes you may make with Attorneys

25. If you think an attorney is all you need to write a purchase offer: Attorneys know laws. In general, attorneys don't know the real estate marketplace. Without market knowledge you are seriously handicapped in your negotiation. If you are just using an attorney to write up a purchase contract at least contact the appraiser your mortgage loan source is going to use and ask for historical sales information for comparable properties. This at least gives you some indication of market values.

26. If you think attorneys know market issues:

Attorneys will sometimes give advice about market issues that they should not be giving. For example: A local attorney reportedly told a

consumer that as long as a buried oil tank was still in use it wouldn't be leaking and therefore would not be a problem. This is very wrong. Don't count on attorneys for advice outside their expertise.

27. If you think attorneys are always good home purchase negotiators: Attorneys may be good in court but they may not be good at negotiating real estate. If you are just using an attorney to negotiate for you make sure to discuss your BATNA with your attorney. That is "Best Alternative To a Negotiated Agreement." Attorneys may attempt to negotiate a purchase agreement with the sole focus of beating the price down. This is alright if the buyer doesn't mind losing the property. However, in two cases local attorneys wrote offers that were too low and with no justification for the low offers. In both cases the seller's response was very negative. The buyers wanted the properties and had to come back to the negotiation apologizing for their attorney's behavior. In neither case did the buyer's gain any benefit from the attorney's effort.

28. If you do not have attorney review the title commitment: Title companies will provide you with a title insurance policy as called for in the normal purchase contract. This policy often has exceptions. Those are conditions that the policy will not cover. As an example on one transaction there were a number of heirs who had some ownership interest in an estate property. Some of the heirs had passed away and the title insurance policy would not cover ownership claims from those heirs. That probably wouldn't be a problem except in the case where one of those heirs might not have actually died. When an attorney reviewed the policy for the buyer the attorney caught this right away and required the seller to provide copies of the death certificates for the title company. The title company then removed the exceptions from the policy. It is good to have an attorney review the title commitment.

29. For unmarried couples: If you do not review ways of holding ownership with your attorney before searching for property: There are a variety of ways to take title to a property. The way you take title defines your ownership rights and this is very straight forward for a married couple. For unmarried couples there are a large number of options and it is vitally important that these are discussed with an attorney before you decide what to do.

Mistakes you may make with Mortgages

30. If you choose a mortgage company based only on interest rate or APR:

Many newspapers publish mortgage rates. This is very interesting but it doesn't give you a complete picture. The most important consideration is choosing a mortgage company which gets the job done right. If you are going to shop mortgages you should shop only companies that you already know something good about.

31. If you do not know the history of the loan officer:

Even if you choose a good company most of your contact will be with one person, the loan officer (also referred to as loan originator). You can ask for references if you don't have some kind of background knowledge about a loan officer.

32. If you compare interest rates without comparing rate-lock periods:

One mistake seen over and over is buyers who compare just the interest rate and points and don't ask what the rate lock period is. In this market most buyers are concerned about rates going up. Most mortgage companies will lock a rate for 30 to 50 days without charge. Some companies advertise their interest rate on a 5 day rate lock because that is always going to be a lower rate than a normal 30 to 50 day lock. Once you are in their office you find out there are extra costs because it normally takes more than five days to get into a house. You need to coordinate the rate lock with the timing on your home purchase. For example: If you won't be able to close on the house for two months you should have at least a sixty day rate lock.

33. If you do not shop for a Direct Endorsement lender for FHA or VA loans:

FHA and VA guaranteed loans are made under strict government guidelines. Those requirements used to call for the loan packages to be sent into Detroit for review by the government agency. This sometimes took weeks because of the inefficiencies of the bureaucracy. To streamline the process the government agencies have approved some lenders to act as "direct endorsement" sources for the government agency. This allows the lender to approve your loan without the whole package taking the trip to Detroit. Direct endorsement often makes VA

and FHA loans almost as fast as conventional (non-government guaranteed) loans.

34. If you assume that all lenders will qualify you for the same mortgage amount:

Lenders all start out with the same general guidelines. From that point on lenders can vary a great deal. If you are close to wanting to spend your limit in terms of what a loan source will lend you then it can really pay off to speak to a number of lenders. It is easy to find a 15% variation, and a 33% variation in what a lender might qualify you for is not unheard of.

35. If you think that saving money for a 20% down payment is the best strategy:

There was a time when you had to have 20% down to buy a home. Many people feel that because of the requirements for private mortgage insurance (PMI) on loans with less than 20% down that it is good to save until you reach this mark. This is rarely the case. If you assume that a home will appreciate in the coming years a home may be able to "save" the money faster than you can. Looking at \$100,000 homes and assuming you have \$15,000 down and are saving another \$5,000 over the next year, if the homes appreciate by 5% over the next year that type of home will cost you \$105,000. You now have \$20,000 to put down but while you were saving the extra \$5,000 you lost it on the purchase because of the appreciation.

36. If you assume that all lenders charge about the same rates and fees: To compare the economics of two different lenders you must know the rates, points, junk fees, lock periods, escrow requirements, and PMI fees if applicable. (See #11 also)

Mistakes in Employee Relocation

37. If you assume, as a corporate relocation client, that the relocation/personnel department is looking out for you:

If you are relocating with a major corporation the personnel department will normally schedule a home tour with a local real estate company. You may think that is because the company worked well representing previous relocating buyers. Unfortunately this may not be the case. It is more

likely that the company was chosen because of a social connection either in the personnel department or in upper management. If you want to find a real estate company which will do the best job representing you, you are usually on your own.

EXTRA MISTAKE: If you don't check your employer's moving expense policy:

Often our clients who are relocating don't actually know the specifics of their employer's relocation policy. It is a good idea to review that with your employer and relay the information to your buyer's agent. As an example, some mortgage companies will offer slightly lower rates to relocating employees whose employer pays an amount equaling at least 3% of their mortgage amount in moving expenses. You will generally have to ask the mortgage person for this lower "relocating" rate, however.

Author's background

Jonathan Boyd has spent a great deal of time studying the home purchase process over the last twenty years. Along with purchasing nine Ann Arbor homes himself, he was also part of the team who brought Exclusive Buyer Representation to the Ann Arbor area sixteen years ago. He attended the Ann Arbor public schools graduating from Pioneer High in 1976. He holds a Bachelor's degree in Electrical Engineering from the University of Michigan.

Jonathan has earned the Certified Buyer's Agent (CBA) designation from the Buyer Broker Institute in Memphis Tennessee and has been awarded the Platinum Savings award from the national office of THE BUYER'S AGENT for saving his buyer clients over \$1,000,000! In 1999 he was the fourth Buyer's Broker in the country to be inducted into the Buyer's Broker Hall of Fame. He is a REALTOR and the Manager of THE HOME BUYER'S AGENT OF ANN ARBOR, INC. one of the largest exclusive buyer's brokerage firms in Michigan. He was selected by REALTOR Magazine readers in 2001 as one of the 25 most influential people in real estate.

Jonathan, during the spring of 1993, was a member of the working group (in the Michigan House of Representatives) which was responsible for developing the original Michigan Agency Disclosure Law (HB4269). The working group, under the leadership of Representative Joe Young Jr., operated under the authority of the House State Affairs Committee.

* Compared as annual savings summed over an average five year loan period. (Standard industry practice.)

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