



Premier Real Estate
Making Real Estate Real Simple

**COMMUNITY HEROES REBATE PROGRAM AGREEMENT
ADDENDA TO EXCLUSIVE RIGHT TO BUY**

The Buyer(s), _____ has read and agrees to the terms and conditions of the Community Heroes Rebate Program and understands that the rebate amount must be reviewed and approved by the Broker in Charge of Yip Premier Real Estate, LLC upon sales contract ratification for eligibility. Rebate amount will be credited toward closing costs, prepaids or sales concessions allowable by the lender. Buyer(s) understands they **MUST NOTIFY THE LENDER OF THE REBATE AMOUNT SO IT CAN BE APPLIED AT CLOSING PER ALLOWABLE LENDER GUIDELINES.**

Buyer Signature Date

Agent Signature Date

Broker Signature Date

Property Address Tax ID #

Lender / Company

Co Op Commission Rate _____ Anticipated Rebate Amount _____





TERMS AND CONDITIONS

Rebate must be reviewed and approved by Broker in Charge on a company rebate form upon contract ratification of property to sell or purchase.

Sellers

Rebate not available to sellers in a short sale transaction.

Rebate will be credited toward commissions due and payable to Yip Premier Real Estate, LLC at closing.

In the event the commission amount to be received by Yip Premier Real Estate, LLC is modified prior to closing, Yip Premier Real Estate, LLC reserves the right to adjust the rebate amount to client.

Buyers

YOU MUST NOTIFY YOUR LENDER OF THE REBATE AMOUNT

Rebate will be credited toward closing costs, prepaids or sales concessions allowable by your lender.

In certain transactions, buyers may need seller cooperation in order to participate in the rebate program.

In the event the commission amount to be received by Yip Premier Real Estate, LLC is modified prior to closing, Yip Premier Real Estate, LLC reserves the right to adjust the rebate amount to client.

What are the terms and conditions relating to the commission rebate program?

The amount of the cooperating broker commission received by Yip Premier Real Estate, LLC can vary on individual properties. If the seller is offering less than 3%, your rebate may be less than you previously expected. We will inform you of the cooperating commission rate and what your rebate amount will be at the time you ask us to represent you on a particular property. Most lenders require that the rebate be first applied to applied to closing costs and prepaids first (as a financing concession[s]). If a portion of your rebate exceeds the closing costs and prepaids. If the full amount of the commission rebate is not entirely consumed by the financing concession(s), Yip Premier Real Estate, LLC will provide the remainder of the rebate through a sales concession. Sales concessions are deducted from the sales price. If the commission rebate due to the Buyer exceeds what is allowable as a financing concession, the Seller must agree to reduce the purchase price of the property by an amount equal to the remaining commission rebate Yip Premier Real Estate, LLC has agreed to provide to Buyer. Yip Premier Real Estate, LLC agrees to also reduce the commission it is due by an amount equal to the reduction in the purchase price. The net effect is that the Seller’s proceeds are not reduced. We stipulate this condition in the purchase agreement that is presented to the Seller. This rebate program is only available where permitted under state and federal law. Federal and State Law do allow for you to receive a rebate in South Carolina. When a rebate is paid, the rebate will only be paid or credited to the party or parties named as the “buyer(s)” or “borrower(s)” on the Closing Disclosure Statement or an equivalent official closing statement.

Is the rebate treated as taxable income?

There may be tax consequences related to receiving a rebate, so please consult your tax adviser, we cannot and do not provide tax advice. That being said, the IRS stated in [Private Letter Ruling #200721013](#) that rebates are not treated as taxable income, but rather a reduction to the price of the home. This is similar to how rebates on an automobile purchase is treated. We take the view that the rebate is indeed a reduction in your cost basis and because of this we will not send you a tax document at the end of the year that shows the rebate. Since private letter rulings are only for the benefit of the party who petitions the ruling, there still could be a question about the treatment of the rebate. So, again we suggest that you check with your tax adviser.

Does the rebate appear on the Closing Disclosure Statement?

Yes, we work with the closing attorney and your lender from the beginning of the transaction to make sure that your rebate is accounted for properly.

Yip Premier Real Estate, LLC reserves the right to modify the conditions of the program or discontinue the program at any time. Additional restrictions & exclusions may apply.

Buyer _____

Agent _____

Broker _____



SellingColumbiaSC.com

