

**BROKER ADMINISTRATIVE COMMISSION**

**PROPERTY ADDRESS:** \_\_\_\_\_

Escrow Company: \_\_\_\_\_  
Escrow Information to be determined upon opening of Escrow

Escrow Co. Address: \_\_\_\_\_  
Escrow Information to be determined upon opening of Escrow

Escrow Number: \_\_\_\_\_ Escrow Officer: \_\_\_\_\_  
Escrow Information to be determined upon opening of Escrow

Client Name(s): \_\_\_\_\_

Sales Executive Name: \_\_\_\_\_ Office: \_\_\_\_\_

ITEM	DESCRIPTION
<b>BROKER</b> Administration Commission	<p>Prudential, Americana Group, REALTORS® Broker                      Administrative Commission: \$ _____</p> <p style="text-align: center;"><i>(Shown on estimated net proceeds to be paid through escrow)</i></p> <p style="text-align: center;"><i>This commission is not required by the State or Federal Government to ensure that prospective purchasers' and sellers' transactions comply with Federal or State laws and regulations.</i></p> <p style="text-align: center;"><i>The Broker Administrative Commission is assessed by Prudential, Americana Group, REALTORS® to its buyer and seller clients in exchange for real estate services provided and actually performed. The commission is the result of the client engaging Americana for these services and is in excess of the listing, cooperative and/or buyer broker commissions typically paid by sellers and buyers.</i></p> <p style="text-align: center;"><i>visit our web site:</i></p>

<http://americenter.americanagr.com/BrokerAdministrationCommissionConsumerExplanation.pdf>

\_\_\_\_\_  
 CLIENT SIGNATURE

\_\_\_\_\_  
 DATE

\_\_\_\_\_  
 CLIENT SIGNATURE

\_\_\_\_\_  
 DATE



**Prudential**

**Americana Group,  
REALTORS®**

## **What is the Prudential, Americana Group, REALTORS® BROKER ADMINISTRATIVE COMMISSION?**

The Prudential, Americana Group, REALTORS® (“Americana”) Broker Administrative Commission or BAC is a commission that is *not* required by the state or federal government to ensure that prospective purchaser's and sellers' transactions comply with federal state laws and regulations. The BAC *is* commission for the real estate services provided by Americana for a buyer or seller. It *is* for services actually performed and is the result of the buyer and seller engaging Americana. The BAC is assessed to each client in excess of the commission that the listing broker typically pays the buyer's broker and is in excess of the listing commission amount.

The BAC is separated from the listing commission and is earmarked as a commission for the buyer to pay separately from other charges for the broker's accounting purposes. Americana is licensed under Chapter 645 of the Nevada Revised Statutes and Nevada Administrative Code as a real estate brokerage. Federal law states a real estate broker's fees may only be charged if the broker is engaged independently and the fees are reasonable and customary. See HUD Handbook 4155.1 for additional information. <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4000.2/40002c5HSGH.doc>.

The real estate industry is typically based upon a broker and sales licensee relationship, commonly referred to as a broker/independent contractor relationship. In Nevada the broker `earns' the entire commission and then shares it with the salesperson. The percentage of the commission that the licensee earns is a private contractual relationship between the broker and licensee. Americana, as the broker, requires a certain amount of the commission to provide the services upon which Americana prides itself. The services Americana provides its clients in connection with its staff equates to a price which the broker must earn. The BAC at \$350 is that minimum. The remainder of the commission is `split' between the broker and salesperson. The listing commission typically at Americana is between 6% and 7% plus BAC. Combined they are the commission you pay as the Seller. As a Buyer, the BAC is what is known as a buyer/broker commission. You as the buyer are paying a commission to your broker, this is in excess of the `co-op' commission your buyer broker receives from the listing brokerage for `selling' the property, typically between 2-4%, plus the BAC charged by Americana. As the buyer you are responsible for the BAC, unless you agree to a separate arrangement within a buyer broker agreement.

There has been a lot of talk about the BAC. It is separated out for mere accounting purposes, but be clear, it is simply commission. It is a portion of the commission that the broker retains and does not share with the commission based sales staff to be able give some of the best office service possible in the real estate industry.

Online Information: <http://americenter.americanagr.com/BrokerAdministrationCommissionConsumerExplanation.pdf>