



Southeastern Border Association of REALTORS®

Exclusive Buyer Agency Contract

(Traditional Agency)



Contract Date: _____ through Expiration on _____ at 11:59 PM

Brokerage Firm: _____ ("Broker")

REALTOR®: _____

REALTOR®'s Email Address: _____

REALTOR®'s Phone # _____

Buyer(s): _____ ("Buyer")

Buyer's Home Address: _____

Buyer's Email Address(es): _____

Buyer's Phone Number(s): _____

1. SCOPE OF EXCLUSIVE AGENCY. Broker and Buyer agree that Broker shall act as Buyer's exclusive agent in connection with Buyer's possible purchase of the following ("Desired Property"):

- Any real property located in Michigan.
- The following specific property(ies) or conditions **only**. (Insert address(es)/conditions):

2. EXCLUSIVE AGENT: Buyer agrees that during the term of this agreement any and all inquiries and/or negotiations on behalf of Buyer relating to the acquisition of any Desired Property shall be through Broker.

3. COMPENSATION OF BROKER: **Buyer understands Broker services are not free. Broker fee for services rendered is not set by law and is fully negotiable.** Broker may not receive compensation for brokerage services provided to Buyer from any source that exceeds the amount agreed upon herein or in a subsequent written agreement between Broker and Buyer. In consideration for the services to be performed under the agreement, Buyer agrees to pay Broker compensation as follows (check as applicable):

- Retainer Fee.** Buyer will pay Broker a non-refundable Retainer Fee of \$ _____, due and payable upon execution of this agreement. The Retainer Fee shall be applied against any commission owed to Broker.
- Flat Fee.** In the event Buyer contracts to purchase the Desired Property, Buyer will pay Broker a Flat Fee equal to \$ _____. The Flat Fee is due and payable upon closing; provided, however, that if the transaction does not close because of any default on the part of the Buyer, the Flat Fee shall become immediately due and payable. The Flat Fee obligation shall apply to any purchase agreements executed during the term of this agreement, or during any extension of this agreement. The Flat Fee obligation will also apply to purchase agreements executed within _____ months after the expiration or other termination of this agreement, if the property acquired was presented to Buyer during the term of this agreement.

Percentage. In the event Buyer contracts to purchase the Desired Property, Buyer will pay Broker compensation in the amount of _____ % of the purchase price. The compensation is due and payable to broker upon closing; provided however, that if the transaction does not close because of any default on the part of the Buyer, the compensation shall become immediately due and payable. Buyer's obligation to pay broker compensation shall apply to any purchase agreements executed during the term of this agreement, or during any extension of this agreement. Buyer's obligation to pay Broker compensation will also apply to purchase agreements executed within _____ months after the expiration or other termination of this agreement, if the property acquired was presented to Buyer during the term of this agreement.

Miscellaneous Brokerage Firm Fee (Admin/Compliance/etc.) \$_____

*NOTE: If Buyer is a party to multiple representation agreements, they may be liable to pay multiple compensations.

4. **COMPENSATION CREDIT:** Buyer authorizes Broker to make reasonable efforts to obtain cooperating broker compensation from the listing broker. Buyer will receive a credit against any amount owed pursuant to paragraph 3 above for any Compensation paid to Broker by the seller or the seller's listing broker. Any compensation to be paid to Broker by seller or to be reimbursed to Buyer through seller concessions will be negotiated through the Purchase Agreement at the discretion of the Buyer.
5. **DISCLOSURE OF BROKER'S ROLE:** At the time of any initial contact, Broker shall inform all prospective sellers and their agents that Broker is acting on behalf of Buyer. **Broker will preserve any confidential information obtained during another agency relationship or in a prior or pending transaction or business relationship. Buyer acknowledges and agrees that the preservation of this confidential information shall not constitute a breach of any fiduciary duty owed to Buyer.**
6. **CONFLICT OF INTEREST (BUYERS):** Buyer acknowledges that Broker may represent other buyers desirous of purchasing property similar to the Desired Property. Buyer acknowledges and agrees that Broker may show more than one buyer the same property, and may prepare offers on the same property for more than one buyer. Broker shall preserve any confidential information disclosed by any buyer-client and shall not disclose the existence of, or the terms of, any offer prepared on behalf of one buyer to another buyer. In the event Broker works for two competing buyer-clients in connection with any specific property, Broker will be working equally for both buyer-clients and without the full range of fiduciary duties owed by a buyer's agent to a buyer. In this situation, the competing buyer-clients are giving up their rights to undivided loyalty and will be owed only limited duties of disclosure, obedience and confidentiality.
7. **CONFLICT OF INTEREST (SELLERS): In the event Buyer becomes interested in a property listed by Broker (check as applicable):**

This agreement shall automatically terminate only with regard to that seller's property (but shall continue as to all other real property) and Broker shall continue the agency relationship with the seller where the agency relationship was terminated pursuant to this paragraph. Any fees previously paid to Broker by Buyer pursuant to this agreement shall be returned to Buyer at closing.

- Broker shall act as disclosed dual agent of both Buyer and the seller. In such event, Broker shall be entitled to any fees owed by Buyer pursuant to this agreement.
- Broker shall act as a transaction coordinator to facilitate the transaction, and not as an agent for either Buyer or the seller. In such event, Broker shall be entitled to any fees owed by Buyer pursuant to this agreement.

8. **BUYER DISCLOSURE:** Buyer agrees to disclose to Broker relevant personal and financial information to assure Broker that Buyer has the ability to complete any transaction which is the subject of this agreement. Buyer hereby grants to Broker the authority to disclose such information as Broker deems necessary or appropriate in order to influence the decision of a seller to accept an offer from Buyer.
9. **LEASING or OPTIONING:** This agreement shall also apply to situations where Buyer wishes to lease or option property. In those situations, the terms used in this agreement shall be automatically changed as appropriate, so that the term "purchase" shall mean "lease," "rent" or "option" and the term "Seller" shall mean "Lessor," "Landlord" or "Optionor" and the term "Buyer" shall mean "Lessee," "Tenant" or "Optionee."
10. **COST OF SERVICES OR PRODUCTS OBTAINED FROM OUTSIDE SOURCES:** Broker will not obtain or order products or services from outside sources (e.g. surveys, soil tests, title reports, inspections) without the prior consent of Buyer. Buyer agrees to pay for all costs for products or services so obtained regardless of whether or not the Buyer purchases Desired Property.
11. **INDEMNIFICATION:** Buyer agrees to indemnify and hold harmless Broker and Broker's agents on account of any and all costs or damages arising out of this agreement, provided Broker is not at fault, such obligation to include, but not be limited to, reasonable attorneys' fees and costs.
12. **COUNTERPARTS:** This agreement may be signed in any number of counterparts with the same effect as if the signature of each counterpart were upon the same instrument.
13. **ELECTRONIC COMMUNICATIONS:** The parties agree that this agreement, any amendment or modification of this agreement and/or any written notice or communication in connection with this agreement may be delivered by electronic mail via the contact information set forth above. Any such communication shall be deemed delivered at the time it is sent or transmitted. The parties agree that the electronic signatures and initials shall be deemed to be valid and binding upon the parties as if the original signatures or initials were present in the documents in the handwriting of each party.
14. **GENERAL CONSIDERATIONS:** Buyer is not relying on Broker to determine the suitability of any Desired Property for the Buyer's purposes or regarding the environmental or other condition of the Desired Property. Buyer acknowledges that Broker nor Agent named herein are acting as attorneys, tax advisors, surveyors, appraisers, environmental experts or structural or mechanical engineers, and that Buyer should contact professionals on these matters.

Neither Broker nor Agent Broker is in a position to advise Buyer as to the location of any property within a floodplain or as to floodplain insurance requirements or general insurability. Buyer is encouraged to visit the website <http://www.floodsmart.gov> and/or consult with appropriate professionals.

Discrimination because of race, color, national origin, sex, disability, familial status or marital status on the part of the Broker, its salespersons, seller, or buyer is prohibited. Further, REALTORS® have an ethical duty

to conduct such activities without respect to the sexual orientation or gender identity of any party or prospective party.

15. **LIMITATION:** Buyer and Broker agree that any and all claims or lawsuits between the parties to this agreement must be filed no more than six (6) months after the date of termination of this agreement. The parties waive any statute of limitations to the contrary.
16. **MERGER:** This agreement constitutes the entire agreement between the parties, and any prior agreements, whether oral or written, have been merged and integrated into this agreement.
17. **CANCELLATION:** This agreement may be CANCELLED or REVOKED only by the mutual consent of the parties in writing.
18. **OTHER:** _____

19. **RECEIPT:** Buyer has read this agreement and acknowledges receipt of a fully executed copy of this agreement.

(REALTOR®)

(Buyer)

For:

(Broker)

(Buyer)

Date:

Date:

Disclaimer: This form is provided as a service of the Southeastern Border Association of REALTORS®. Please review both the form and details of the particular transaction to ensure that each section is appropriate for the transaction. The Southeastern Border Association of REALTORS® is not responsible for use or misuse of the form, for misrepresentation, or for warranties made in connection with the form.