



# WEST MICHIGAN REGIONAL EXCLUSIVE BUYER AGENCY AGREEMENT



This Agreement is made between \_\_\_\_\_ (“Buyer”) and \_\_\_\_\_ (“Broker”).

**1. GENERAL DESCRIPTION OF PROPERTY:** Buyer wishes to purchase real property (which may include items of personal property) having the following general description and location: \_\_\_\_\_ (“Property”).

**2. AGENCY:** Buyer hereby appoints Broker as Buyer’s exclusive agent to locate Property, and to present offers on Buyer’s behalf to Sellers of Property for its purchase, exchange, or option, on terms and conditions having the prior approval of Buyer during the term of this Agreement. Buyer agrees to work exclusively with Broker during the term of this Agreement by:

- a) Exclusively allowing Broker to locate Property for Buyer, and to present and negotiate offers on Buyer’s behalf.
- b) Referring to Broker any information about properties Buyer has located or inquiries received in any form from any other real estate broker, salesperson, prospective seller, builder or any other source during the time this Agreement is in effect.

Broker accepts the appointment and agrees to use its best efforts as Buyer’s agent to locate Property and to assist Buyer in Buyer’s attempted acquisition of Property.

**3. DESIGNATED AGENCY (check one):**

Broker is a Designated Agency office. Buyer appoints \_\_\_\_\_ as the Buyer’s designated agent (“Agent”) . For the purpose of this Agreement, Buyer shall have an agency relationship with Broker, Agent, and the following supervisory broker(s): \_\_\_\_\_. Buyer acknowledges and agrees that Broker may add, change, or substitute the designated agent(s) or supervisory broker(s). Any such change shall be in writing.

Broker is not a Designated Agency office.

**4. TERM:** The status of Broker as Buyer’s agent shall commence on \_\_\_\_\_ (date) and shall continue through 11:59 p.m. on \_\_\_\_\_ (“End Date”).

**5. COMPENSATION OF BROKER:** As compensation for Broker’s services, Buyer agrees to pay Broker as follows:

- a) Retainer Fee: Buyer shall pay Broker a non-refundable retainer fee of \$ \_\_\_\_\_ (“Retainer Fee”) upon signing this Agreement, which shall be credited against the other fees to Broker.
- b) Brokerage Fee: If Buyer purchases a Property, or acquires the same by exchange, Buyer shall pay Broker a Brokerage Fee of \_\_\_\_\_ % of the price accepted by a Seller (“Brokerage Fee”). The Brokerage Fee, less the Retainer Fee, shall be paid at closing.
- c) Option Fee: If Buyer obtains an option on Property, Buyer shall pay Broker a fee of \_\_\_\_\_ (“Option Fee”) at the time that the option is accepted; and if the Property is purchased by Buyer, or an assignee of Buyer, Buyer shall pay Broker a fee at the closing equal to the Brokerage Fee. Credit will be given for the Retainer Fee and/or the Option Fee.
- d) Rental or Lease Fee: If Buyer rents or leases a Property, Buyer agrees to pay Broker a fee equal to one-month rental or lease payment charged by landlord (“Rental/Lease Fee”).
- e) Other Fee: \_\_\_\_\_

Buyer agrees that any contract to purchase Property will require the Brokerage Fee be paid from the proceeds of the transaction by the Seller, or the Seller’s Agent, unless otherwise agreed in writing by Buyer and Broker.

**6. COMMISSION PAID BY OTHERS:** Buyer acknowledges that Brokers representing sellers of properties, and sellers who sell without a Broker’s assistance, commonly offer to compensate Brokers who introduce the purchaser to the Property. If Broker enters into such a commission-sharing or other compensation arrangement with prospective sellers or with a seller’s Broker with respect to any Property to be purchased by Buyer, any such commission received by Broker under any such arrangement shall be applied to reduce the Brokerage Fee due from Buyer to Broker under this Agreement. Buyer agrees that by accepting, as a fee, part of the proceeds of the transaction from the seller, or through the seller’s agent, Broker shall not be deemed the agent of the seller.

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Buyer’s Initials

**7. PROTECTION PERIOD:** Broker shall be paid the Brokerage Fee if Buyer, or someone on Buyer's behalf, purchases, exchanges for, or signs an option agreement for the purchase of any Property within \_\_\_\_\_ month(s) from the End Date of this Agreement, if Broker showed the Property to Buyer during the term of this Agreement, or if Broker negotiated with, or had discussions with, the seller of the Property or the seller's representative during the term of this Agreement.

**8. PRIOR SUB-AGENCY:** Buyer understands and hereby acknowledges that Broker shall not disclose to Buyer confidential information about a Property or seller, that Broker learned as a sub-agent for a seller or through a prior agency relationship.

**9. OTHER POTENTIAL BUYERS:** Buyer understands that other potential Buyers may, through Broker or Agent, make offers to purchase or options to purchase, the same or similar properties as Buyer is seeking. Buyer consents to the representation by Broker or Agent of such potential Buyers before, during and after the expiration of this Agreement. Broker and Agent shall not disclose to Buyer the material terms of any offer for a Property from other buyers, nor shall Broker or Agent disclose to other buyers the material terms of any offer made by Buyer.

**10. DUAL AGENCY:** In the event Buyer elects to view, negotiate, and/or make an offer on any Property that is listed through Agent or that is owned by Agent or supervisory Broker, then Buyer understands that Broker and Agent is a dual Agent, that is, an agent for both the Seller and Buyer. Buyer recognizes that in the event of dual agency, Broker and Agent's services will change, and that Agent will not be able to disclose all known information either to the Seller or Buyer. As a dual Agent, Broker or Agent will not be able to provide the full range of fiduciary duties to the seller or Buyer. Buyer acknowledges reviewing this provision and the Disclosure Regarding Real Estate Agency Relationships. Buyer also acknowledges that if a potential seller is represented by a designated agent within Broker's firm other than Agent, Broker and all supervisory Brokers shall automatically be deemed consensual dual Agents.

**11. SCOPE OF REPRESENTATION:** The services of Broker under this Agreement shall ordinarily be those services customarily provided by real estate professionals, including consultation with Buyer with respect to the desirability of particular properties and the availability of financing, formulating acquisition strategies, and negotiating purchase agreements. However, Buyer agrees not to seek or rely upon advice from Broker with respect to legal and/or tax matters, mechanical, structural and/or architectural matters, environmental matters, matters of title or survey, or any other matters relating to the condition of the Property; Broker recommends that Buyer consult an attorney or other competent professionals with respect to those matters, and Buyer hereby releases any claim against Broker related to the matters stated in this paragraph. Broker is not able to advise Buyer as to the location of any property within a floodplain or as to floodplain insurance requirements. Broker makes no representation or warranty with respect to the advisability or the legal effect of any transaction contemplated by Buyer.

**12. AUTHORIZATION TO ORDER INSPECTIONS:** If Broker orders any services on behalf of Buyer upon Buyer's request, then Buyer agrees that Broker will make these contacts solely for Buyer's convenience, and Buyer agrees to be responsible to select the service providers, pay for and review the results of the services and documents that result from those contacts.

**13. BUYER'S IDENTITY:** Buyer hereby grants permission to Broker to disclose Buyer's identity to sellers and their agents. Buyer shall have the right to withdraw this authority by written notice to Broker.

**14. DISCLOSURE BY BUYER:** 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.

**15. INDEMNIFICATION:** Buyer agrees to indemnify Broker and its Agent, and hold them harmless from any and all loss, cost, expense, damage or claim arising out of this Agreement. This indemnification shall not apply to any grossly negligent or illegal act of Broker or its Agent. Buyer shall be liable to Broker and its Agent for any amounts expended by Broker and its Agent, including, but not limited to, actual attorney fees and court costs, in collecting, or attempting to collect, any part of the Brokerage Fee owed by Buyer.

**16. NON-ASSIGNMENT OF AGREEMENT:** Buyer and Broker understand and agree that the relationship created by this Agreement is personal and that neither Buyer nor Broker shall have the right to assign this Agreement.

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**17. CONSENT TO FEES:** Buyer acknowledges that Broker may be offered placement fees, finders fees and other consideration from service providers who become involved in the transaction. Buyer grants Broker permission to receive such fees and/or consideration as permitted by RESPA (Real Estate Settlement Procedures Act).

**18. LEASING:** This Agreement shall also apply to situations where Buyer wishes to lease Property. In those situations, the terms used in this Agreement shall be automatically changed as appropriate, so that the term "purchase" shall mean "lease" or "rent" and the term "Seller" shall mean "Landlord" and the term "Buyer" shall mean "Tenant". The use of the term "Brokerage Fee" shall also apply to the term "Leasing Fee".

**19. NON-DISCRIMINATION:** The parties acknowledge that discrimination on the part of a real estate broker, real estate licensee, seller, or lessor because of religion, race, color, national origin, age, sex, marital status, height, weight, physical or mental disability, or familial status is prohibited by law.

**20. 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.

**21. ELECTRONIC DISTRIBUTION AND ELECTRONIC SIGNATURES.** The parties agree that any signed copy of this Agreement, and any amendments or addendums related to this transaction, transmitted by facsimile or other electronic means shall be competent evidence of its contents to the same effect as an original signed copy. The parties further agree that an electronic signature is the legal equivalent of a manual or handwritten signature, and consent to use of electronic signatures.

**22. GOVERNING LAW:** This Agreement shall be governed by the laws of the state where the Property is located.

**23. MISCELLANEOUS:** This Agreement constitutes the entire agreement between the parties. There are no oral agreements relating to the matters set forth herein. This Agreement can be modified or amended only if Broker and Buyer agree in writing. If more than one person signs below as Buyer, the obligations of Buyer shall be joint and several.

**24. OTHER DESIGNATED AGENTS:** Broker and Buyer also agree on \_\_\_\_\_ and/or \_\_\_\_\_ as Buyer's designated Agent to exclusively represent Buyer in locating Property and presenting offers.

**25. ADDITIONAL CONDITIONS:**

**26. ACKNOWLEDGEMENT:** This Agreement, which binds Broker, Buyer, and their respective successors, estate(s), and heirs, contains all of the terms and conditions of the agreement between the parties with respect to its subject matter, and there are no representations, warranties, conditions, or promises except those expressly set forth in this Agreement. The undersigned Buyer(s) represents and warrants Buyer(s) has full power and authority to enter into and perform this Agreement including the conveyance of title as specified above. Buyer acknowledges receipt of a copy of this Agreement.

**THE PARTIES ACKNOWLEDGE THAT BEFORE SIGNING THEY HAVE READ AND UNDERSTAND ALL PROVISIONS OF THIS AGREEMENT.**

Buyer:  Marital Status:  Married  Single  
Buyer:  Marital Status:  Married  Single

\_\_\_\_\_/\_\_\_\_\_  
*Print Name(s) as you want it to appear on documents.*

Buyers address: \_\_\_\_\_

Buyers primary phone: \_\_\_\_\_ E-mail address: \_\_\_\_\_

Buyers secondary phone: \_\_\_\_\_ E-mail address: \_\_\_\_\_

Broker: \_\_\_\_\_ Buyer's Agent:

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Buyer's Initials