



EXCLUSIVE BUYER AGENCY CONTRACT

BROKER: _____ Agent: _____ Date: _____

FIRM ADDRESS: _____

BUYER/CLIENT(S) NAME 1: _____ 2: _____

BUYER/CLIENT'S ADDRESS: _____ Phone: _____

1. **PURPOSE:** Buyer has employed the services of Broker to assist Buyer in purchasing real estate. Broker's services shall include, but not be limited to, consulting with regarding the desirability of particular properties and the availability of financing, formulating acquisition strategies, and negotiating purchase agreements. Client acknowledges that Broker is not acting as an attorney, tax advisor, surveyor, structural engineer, or property inspector, and that Client should contact professionals on these matters.

2. **SCOPE OF EXCLUSIVE AGENCY:** Broker and Client 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) only. (Insert Addresses)

_____	_____
_____	_____
_____	_____

3. **DESIGNATED AGENCY:** Broker and Buyer hereby designate the agent(s) named above as the Buyer's Designated Agent. Buyer shall have an agency relationship with ONLY Broker and the Designated Agent named above. Buyer acknowledges that neither Designated Agent nor Broker 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 Designated Agent is in a position to advise Buyer as to the location of any property within a floodplain or as to floodplain insurance requirements. Buyer is encouraged to visit the website <http://floodsmart.gov> and/or consult with appropriate professionals.

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

5. **TERM / CANCELLATION:** This Agreement is entered into on this date _____ and shall expire at midnight on _____, unless extended in writing by mutual agreement between the parties. This Agreement may be cancelled only by the mutual consent of the parties in writing. Termination shall not affect the Broker's right to compensation for services performed prior to the effective date of termination, nor shall it relieve Buyer of any obligation to compensate Broker for a property introduced or negotiated during the term of this Agreement, as provided in Paragraph 5.

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6. COMPENSATION OF BROKER: Brokerage Firm's 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 as follows (check as applicable):

(A) ☐ **Retainer fee:** Client will pay Broker a non-refundable Retainer fee of \$ [REDACTED], due and payable upon execution of this Agreement. The Retainer fee shall be applied against any commission owed to Broker.

(B) ☐ **Hourly Fee:** Buyer will pay Broker an Hourly Fee of \$ [REDACTED] for services performed under this agreement due and payable upon receipt of invoice(s) from Broker. The Hourly Fee shall be applied against any commission owed to Broker.

(C) ☐ **Flat Fee.** In the event Buyer contracts to purchase the Desired Property, Buyer will pay Broker a Flat Fee equal to \$ [REDACTED]. 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 [REDACTED] months after the expiration or other termination of this agreement, if the property acquired was presented to Buyer during the term of this agreement. If the seller fails to close with no fault on the part of the Client, then the Flat Fee shall be waived. If the transaction does not close because of any fault on the part of the Client, the Flat Fee shall NOT be waived and shall become immediately due and payable.

(D) ☐ **Compensation Fee.** In the event Buyer contracts to purchase the Desired Property, Buyer will pay Broker a Compensation Fee equal to \$ [REDACTED], or [REDACTED] % of the purchase price. The Compensation 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 Compensation Fee shall become immediately due and payable. The Compensation Fee obligation shall apply to any purchase agreements executed during the term of this agreement, or during any extension of this agreement. The Compensation Fee obligation will also apply to purchase agreements executed within [REDACTED] months after the expiration or other termination of this agreement, if the property acquired was presented to Buyer during the term of this agreement.

7. COMPENSATION CREDIT: Buyer will receive a credit against any amount owed pursuant to paragraph 5 above for any compensation paid to Broker by the Seller or the Seller's listing broker.

8. TERMS OF BROKERAGE FEES: The Brokerage Fee is due and payable upon closing. The Brokerage Fee shall apply to any purchase agreement executed during the term of this agreement, or during any extension of this agreement. The Brokerage Fee will also apply to purchase agreements executed within [REDACTED] months after the expiration of this agreement, if the property acquired was presented to Client through the services of Broker. If a Seller fails to close with no fault on the part of Client, then the Brokerage Fee shall be waived. If the transaction does not close because of any fault on the part of the Client, the Brokerage Fee shall NOT be waived and shall become immediately due and payable.

9. BROKERAGE SERVICE FEE: Purchaser agrees to pay Broker a \$ [REDACTED] fee at closing to comply with applicable Federal and State laws regarding disclosures, document storage and retention.

10. 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 as an agent for the purchaser. **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.**

11. CONFLICT OF INTEREST (PURCHASERS): 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.

[REDACTED] / [REDACTED]
(Buyer's Initial)

12. 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.

13. 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.

14. 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."

15. 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.

16. INDEMNIFICATION OF BROKER: Client agrees to indemnify Broker/Agent, and to hold Broker/Agent harmless for any and all costs or damage arising out of the action of the Buyer, provided Broker is not at fault, including, but not limited to, attorney's fees reasonably incurred by Broker.

17. FEES: Purchaser(s) hereby acknowledges notice of the fact that Broker may accept a fee or consideration with regard to the placement of a loan or mortgage, life, fire, theft, flood, title, or other casualty or hazard insurance, arising from this transaction and expressly consent thereto as required by Rule 339.22321 of the Michigan Administrative Code.

18. NON-DISCRIMINATION: It is agreed by Broker, Purchaser(s) and parties to this agreement, that as required by law, discrimination because of religion, race, color, national origin, age, sex, handicap, familial, or marital status by said parties in respect to the purchase of the Desired Property is prohibited. Local ordinances may offer protection against additional discrimination.

19. CONDITION OF PROPERTY: Client is not relying on Broker/Agent to determine the suitability of any desired Property for the Client's purposes or regarding the environmental condition of the Desired Property.

20. LIMITATION: Client and Broker/Agent 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.

21. ENTIRE AGREEMENT: 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.

22. CANCELLATION: This agreement may be CANCELLED or REVOKED only by mutual consent of the parties in writing. If the Buyer enters into a purchase agreement for a property introduced by Broker during the term or within months of termination, Broker's compensation obligations under Paragraph 5 shall still apply.

/
(Buyer's Initial)

23. **OTHER:** _____.

24. **ELECTRONIC COMMUNICATION:** 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.

25. **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.

26. **RECEIPT:** Client has read this Agreement and acknowledges receipt of a completed copy of this Agreement.

BROKER: _____

Print Client Name: _____ Signature: _____
Date

Print Client Name: _____ Signature: _____
Date

Print Agent Name: _____ Signature: _____
Date

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE.
IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY

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