



## Buyer Agency Agreement Broker Representation of Buyer in Maryland and Washington, DC

This Agreement is made on \_\_\_\_\_ between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Broker") which assigns \_\_\_\_\_ as Agent of the Broker.

In consideration of the services and facilities, the Broker is hereby granted the right to represent the Buyer in the acquisition of real property, which shall include cooperatives. As used in this Agreement, "acquisition of real property" shall include any purchase, option, exchange, or lease of property. The term Seller shall include lessor, optioner and exchanger. The term Buyer shall include lessee, optionee and exchangee.

1. **TERM:** This Agreement commences when signed and expires at midnight on \_\_\_\_\_ ("Expiration Date").

2. **PROPERTY SOUGHT BY BUYER:** The property shall substantially meet the following requirements:

- |  |  |
|--|--|
| <input type="checkbox"/> Maryland Residential Property | <input type="checkbox"/> Washington, DC Residential Property |
| <input type="checkbox"/> Maryland Commercial Property  | <input type="checkbox"/> Washington, DC Commercial Property  |

3. **BUYER RESPONSIBILITIES:**

- A. **Exclusive Relationship with Broker:** Buyer will work exclusively with Broker during the term of this Agreement;
- B. **Financial Information:** Buyer will furnish Broker with necessary financial and personal information to reasonably establish Buyer's ability to purchase property.
- C. **Signs or Advertisements for Property:** If Buyer sees any signs or advertisements for properties being offered for sale, Buyer will not contact the Seller or agent of the Seller but will first contact Agent named herein, who will provide information about the properties and then make arrangements to see them.
- D. **New Home Builders and Open Houses:** In order to avoid the possibility of confusion over the agency relationship and misunderstandings about liability for compensation, Buyer agrees not to make a first visit to any new home builder's model nor contact any other agents representing sellers of new homes without being accompanied by Agent. Also Buyer agrees not to enter "Open House" properties unless accompanied by Agent or after having had Agent make arrangements with the Listing Broker.

4. **BROKER RESPONSIBILITIES:** The Agent and Broker agree to:

- A. Use professional knowledge and skills to locate and present real property, which is available for purchase and suitable for the Buyer's needs.
- B. Assist Buyer through the process of property acquisition.
- C. Represent the interests of the Buyer in all negotiations and transactions regarding the acquisition of real property.

5. **AGENCY:** The State of Maryland and Washington, DC have each adopted specific laws governing the disclosure of agency relationships and dual agency (i.e., the situation where the listing and selling agents are associated with the same broker). For this reason, all applicable jurisdictional Agency disclosure forms have been made available to Buyer who acknowledges receipt of those checked below:

**Maryland:**

- Understanding Whom Real Estate Agents Represent
- Consent For Dual Agency

**Washington, DC**

- Consent for Dual Representation and Designated Representation

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6. **DUAL AGENCY:** In the event of dual agency, when either the Buyer or Broker declines to consent in writing to Dual Agency, either party may terminate this Agreement by written notice to the other party. If Buyer terminates, Broker shall be entitled to compensation based on an hourly rate of \$ \_\_\_\_\_ for time spent up to and including date notice of termination is received by Broker. If Broker terminates, no fee shall be paid to Broker **and any advance fees paid under 7A below shall be refunded to Buyer.**

7. **BROKER COMPENSATION:**

A. **Advance Fee:** Upon all parties signing this Agreement, Buyer has paid an advance fee of \$ \_\_\_\_\_ to retain the services of Broker. This advance fee will be placed in the broker's non-interest bearing escrow account in accordance with the law of the appropriate jurisdiction and will be credited against the gross fee (see 7B below) to be paid in accordance with the terms hereof.

B. **Payment to Broker by Flat Fee or Percentage of Sales/Leasing Price:**

Buyer agrees to pay to Broker a fee of \$ \_\_\_\_\_, or, \_\_\_\_\_ % of the purchase price (or, in the case of a tenant, \_\_\_\_\_ months rent payable at the time of lease signing), of any real property purchased/leased by or for the Buyer during the term of this Agreement. Further, such Broker's fee shall be paid if a Property is purchased by Buyer within \_\_\_\_\_ days after the "Expiration Date" or after termination of this Agreement (the "Protection Period"), unless a valid buyer's agency agreement is entered into during the term of said Protection Period with another licensed real estate broker.

C. **Fee Paid By Seller:** In many cases, the fee specified in 7B above may be paid by the Seller. These cases would include the following:

- 1) When Broker is offered compensation as a portion of the commission offered in MRIS by the Listing Broker to a Buyer's Broker, (in the "Buyer Agent Compensation" field or as abbreviated in listing print outs), the Contract of Sale authorizes the settlement entity to pay that portion to the Broker;
- 2) Where property is not listed by MRIS, an Addendum to a contract to purchase would specify payment of compensation to the Broker from the Seller; or
- 3) Where a new home builder makes an offer of compensation in a registration form or other document, the builder's Contract of Sale would specify payment of compensation to the Broker by the builder.

Broker is authorized to receive all or a portion of the fee from the Listing Broker or Seller and any such amounts shall be applied toward Buyer's obligation under 7B. The amount of any such payment made by Seller or Listing Broker shall be with the Seller's and Buyer's prior knowledge and consent and shall in no way affect the obligation of the Buyer's Agent to act on behalf of the Buyer in the transaction.

D. **Difference between offers of compensation and amount agreed upon with Broker:** In the event the amount of compensation offered by the Listing Broker or a Seller, as provided in Paragraph 7C is less than the amount as specified in Paragraph 7B, Buyer agrees to pay the difference between the amount offered by the Listing Broker and/or the Seller and the amount which Buyer has agreed to pay to Broker pursuant to Paragraph 7B. In the event the amount of compensation offered to Broker by a Listing Broker and/or Seller is in an amount greater than that specified in Paragraph 7B, then, in such event, Buyer authorizes Broker to receive such compensation and to retain any such additional compensation without pro ration or rebate to Buyer.

E. **Payment of Broker's Fee:** Payment of Broker's Fee is due at Settlement. Settlement is a condition precedent to Buyer's obligation to pay the Broker's Fee unless Buyer, after contract acceptance, fails to perform or is otherwise in default of the sales contract. In such case, the Broker's fee in its entirety as specified in 7B is due from the Buyer no later than the agreed Settlement Date.

F. **Default by Seller:** If Buyer enters into a contract with a Seller during the original term of this Agreement, and Seller subsequently defaults, then the original term of this Agreement is extended by the number of days property was under contract.

8. **TERMINATION:** This Agreement may be terminated prior to the expiration date only by mutual written Agreement of the Parties.

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