

**CONTRACT FOR EXCLUSIVE
RIGHT TO REPRESENT BUYER**

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1. Date _____

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3. **DEFINITIONS:** Buyer is _____ (Buyer).

4. Broker is _____ (Broker).
(Real Estate Company Name)

5. Buyer gives Broker the exclusive right to locate and/or to assist in negotiations for the purchase, exchange of or option to
6. purchase (Purchase) property at a price and with terms acceptable to Buyer. This Contract starts on
7. _____, 20 _____, and ends at 11:59 p.m. on _____, 20 _____.

8. This Contract may only be canceled by written mutual agreement of the parties.

9. **BROKER'S OBLIGATION:** Broker shall make a reasonable effort to locate property acceptable to Buyer. Broker
10. shall use professional knowledge and skills to assist in negotiations for the Purchase of property. Broker shall assist
11. Buyer throughout the transaction. Broker shall act in Buyer's best interest at all times, subject to any limitations imposed
12. by law or dual agency. Broker shall comply with all applicable fair housing and nondiscrimination regulations.

13. **BUYER'S OBLIGATION:** Buyer shall work exclusively with Broker for the Purchase of property. Buyer shall promptly
14. furnish to Broker accurate and relevant personal financial information to ascertain Buyer's ability to Purchase property,
15. if requested. Buyer shall cooperate with Broker in finding a property to Purchase. After a purchase agreement has
16. been accepted by seller, Buyer is legally obligated to Purchase the property. If Buyer refuses to close the Purchase for
17. any reason other than the failure of seller to perform, subject to relevant contingencies, Buyer shall pay Broker all
18. compensation due under this Contract.

19. **NOTICE: THE COMPENSATION FOR THE PURCHASE, LEASE, RENTAL OR MANAGEMENT OF REAL**
20. **PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S**
21. **CLIENT.**

22. **BROKER'S COMPENSATION:** *(Fill in all blanks.):*

23. Buyer agrees to compensate Broker if Buyer or any other person acting on Buyer's behalf agrees to Purchase any
24. property during the term of this Contract.

25. 1. Buyer agrees to pay Broker a retainer fee of \$ _____ at the commencement of this Contract,
26. which fee shall be kept by Broker whether or not Buyer Purchases property. The retainer fee shall apply toward
27. satisfaction of any obligation to compensate Broker.

28. 2. Buyer shall pay Broker, as Broker's compensation, _____ percent (%) of the selling price or
29. \$ _____, whichever is greater, when Buyer closes the Purchase, if:

30. A: Buyer Purchases or agrees to Purchase a property before the expiration of this Contract, even if Buyer does
31. not use Broker's services; or

32. B: within _____ days *(not to exceed six (6) months)* after the expiration of this Contract, Buyer Purchases
33. property which either Broker or licensee representing or assisting Buyer has physically shown Buyer or in which
34. Buyer has made an affirmative showing of interest to Broker or licensee representing or assisting Buyer before
35. the expiration of this Contract, as long as Broker has identified this property on a written list Broker gives to
36. Buyer within 72 hours after the expiration of this Contract.

37. Broker is authorized to negotiate and receive compensation paid by seller, or broker representing or assisting seller, if
38. Broker informs Buyer in writing before Buyer signs an offer to Purchase the property. Any compensation accepted by
39. Broker from seller, or broker representing or assisting seller, ☐ **SHALL** ☐ **SHALL NOT** reduce any obligation of Buyer

-----*(Check one.)*-----

40. to pay the compensation by the amount received by seller or broker.

41. Buyer understands that Buyer does not have to pay Broker's compensation if Buyer signs another valid buyer
42. representation contract or facilitator services agreement after the expiration or cancellation of this Contract, under
43. which Buyer is obligated to compensate another licensed real estate broker.

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45. **CAUTION: BUYER'S ACTIONS IN LOCATING A PROPERTY MAY AFFECT PAYMENT OF COMPENSATION BY**
46. **SELLER(S) AND MAY THEREFORE OBLIGATE BUYER TO PAY ALL OR PART OF THE COMPENSATION**
47. **IN CASH AT CLOSING. FOR EXAMPLE: THE ACT OF GOING THROUGH AN OPEN HOUSE**
48. **UNACCOMPANIED BY BUYER'S BROKER OR LICENSEE REPRESENTING OR ASSISTING BUYER;**
49. **OR SIGNING A PURCHASE AGREEMENT THROUGH ANOTHER BROKER OR WITH OWNER (FOR**
50. **SALE BY OWNER) MAY REQUIRE BUYER'S PAYMENT OF THE FULL COMPENSATION TO BUYER'S**
51. **BROKER.**

52. **GENERAL NATURE OF PROPERTY:** (Including the following property types: existing, new construction or to-be-built.)
53. *(Check all that apply.)*

54. ☐ Commercial/Industrial ☐ Farm ☐ Recreation
55. ☐ Residential/Investment ☐ Residential/Personal ☐ Vacant Land

56. **CLOSING SERVICES:**

57. **NOTICE:** THE REAL ESTATE BROKER, LICENSEE REPRESENTING OR ASSISTING BUYER OR REAL ESTATE
58. CLOSING AGENT HAS NOT EXPRESSED AND, UNDER APPLICABLE STATE LAW, MAY NOT EXPRESS
59. OPINIONS REGARDING THE LEGAL EFFECT OF THE CLOSING DOCUMENTS OR OF THE CLOSING
60. ITSELF.

61. After a purchase agreement for the property is signed, arrangements must be made to close the transaction. Buyer
62. understands that no one can require Buyer to use a particular person in connection with a real estate closing and that
63. Buyer may arrange for a qualified closing agent or Buyer's attorney to conduct the closing.

64. Buyer's choice for closing services. *(Initial one.)*

65. _____ Buyer wishes to have Broker arrange for the closing.
(Buyer) (Buyer)

66. _____ Buyer shall arrange for a qualified closing agent or Buyer's attorney to conduct the closing.
(Buyer) (Buyer)

67. **ADDITIONAL COSTS:** Buyer acknowledges that Buyer may be required to pay certain closing costs, which may
68. effectively increase the cash outlay at closing.

69. **PRIVATE INSPECTION/WARRANTY:** Broker recommends that Buyer obtain a private home inspection to satisfy
70. himself/herself with the physical condition of the property. Furthermore, there are warranty programs available for some
71. properties which warrant the performance of certain components of a property, which warranty programs Buyer may
72. wish to investigate prior to the Purchase of any specific property.

73. **AGENCY REPRESENTATION:** If the Buyer chooses to Purchase a property listed by Broker, a dual agency will be
74. created. This means that Broker will represent both the Buyer and the seller, and owe the same duties to the seller that
75. Broker owes to the Buyer. This conflict of interest will prohibit Broker from advocating exclusively on the Buyer's behalf.
76. Dual agency will limit the level of representation Broker can provide. If a dual agency should arise, the Buyer will need
77. to agree that confidential information about price, terms and motivation will still be kept confidential unless the Buyer
78. instructs Broker in writing to disclose specific information about the Buyer. All other information will be shared. Broker
79. cannot act as a dual agent unless both the Buyer and the seller agree to it. By agreeing to a possible dual agency,
80. the Buyer will be giving up the right to exclusive representation in an in-house transaction. However, if the Buyer should
81. decide not to agree to a possible dual agency, and the Buyer wants Broker to represent the Buyer, the Buyer may give
82. up the opportunity to Purchase the properties listed by Broker.

83. Buyer's Instructions to Broker:

84. Having read and understood this information about dual agency, Buyer now instructs Broker as follows:

85. ☐ Buyer will agree to a dual agency representation and will consider properties listed by Broker.
86. ☐ Buyer will not agree to a dual agency representation and will not consider properties listed by Broker.

87. Real Estate Company Name: _____

88. _____ Buyer: _____

89. By: _____ Buyer: _____
(Licensee)

90. _____ Date: _____

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92. **OTHER POTENTIAL BUYERS:** Buyer understands that other potential buyers may consider and/or make offers to
93. purchase through Broker the same or similar properties as Buyer is seeking to Purchase. Buyer consents to Broker
94. representing such other potential buyers before, during and after the expiration of this Contract.

95. **PREVIOUS AGENCY RELATIONSHIPS:** Broker or licensee representing or assisting Buyer may have had a previous
96. agency relationship with a seller of a property Buyer is interested in Purchasing. Buyer acknowledges that Buyer's
97. Broker or licensee representing or assisting Buyer is legally required to keep information regarding the ultimate price
98. and terms the seller would accept and the motivation for selling confidential, if known.

99. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory
100. offender registry and persons registered with the predatory offender registry under MN Statute 243.166 may
101. be obtained by contacting the local law enforcement offices in the community where the property is located
102. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web site at
103. www.corr.state.mn.us.

104. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
105. transaction constitute valid, binding signatures.

106. **CONSENT FOR COMMUNICATION:** Buyer authorizes Broker and its representatives to contact Buyer by mail, phone,
107. fax, e-mail or other means of communication during the term of this Contract and any time thereafter.

108. **OTHER:** _____

109. _____

110. _____

111. _____

112. **ACCEPTED BY:** _____ **BY:** _____
(Real Estate Company Name) (Licensee)

113. Date Signed: _____, 20 _____

114. **ACCEPTED BY:** _____ **ACCEPTED BY:** _____
(Buyer) (Date) (Buyer) (Date)

115. _____
(Address) (Address)

116. _____
(Phone) (Phone)

117. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER AND BROKER.**
118. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**