

**CONTRACT FOR EXCLUSIVE
RIGHT TO REPRESENT BUYER**

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1. Date _____
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3. _____ ("Buyer") gives
4. _____ Buyer's broker
(Real Estate Broker)

5. ("Broker") the exclusive right to locate and/or to assist in negotiations for the purchase, exchange or option to purchase ("Purchase")
6. property at a price and with terms acceptable to Buyer. This Agreement starts on _____, 20_____, and ends at
7. 11:59 p.m. on _____, 20_____. This Agreement may be cancelled by written mutual agreement of the parties.

8. **BROKER'S OBLIGATION:** Broker shall:

- 9. 1. Make a reasonable effort to locate property acceptable to the Buyer.
- 10. 2. Use professional knowledge and skills to assist in negotiations for the Purchase of property.
- 11. 3. Assist Buyer throughout the transaction.
- 12. 4. Act in Buyer's best interest at all times.
- 13. 5. Comply with all applicable fair housing and non-discrimination regulations.

14. **BUYER'S OBLIGATION:** Buyer shall:

- 15. 1. Work exclusively with Broker for the Purchase of property.
- 16. 2. Provide Broker with accurate and relevant personal financial information to determine Buyer's ability to Purchase property.
- 17. 3. Cooperate with Broker in finding a property to Purchase. After a purchase agreement has been accepted by Seller, Buyer is legally obligated to Purchase the property. If Buyer refuses to close the Purchase for any reason other than the failure of Seller to perform, subject to relevant contingencies, Buyer shall pay Broker all compensation due under this Agreement.

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

22. **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 property during
24. the term of this Agreement.

- 25. 1. Buyer shall pay Broker a retainer fee of \$ _____ when Buyer signs this Agreement. Broker will keep this fee even if Buyer does not
26. Purchase property. The retainer paid shall apply toward satisfaction of Buyer's obligation to compensate Broker.
- 27. 2. Buyer shall pay Broker a commission of _____ percent (%) of the purchase price of the property or \$ _____, whichever
28. is greater, when Buyer closes the Purchase, if:
 - 29. A: Buyer Purchases or agrees to Purchase a property before the end of this Agreement, even if Buyer does not use Broker's services; or
 - 30. B: Within _____ days (not to exceed 180 days) after the end of this Agreement, Buyer Purchases property which either Broker or
31. Broker's salesperson has physically shown Buyer or in which Buyer has made an affirmative showing of interest to Broker or
32. Broker's salesperson before the end of this Agreement, as long as Broker has identified this property on a written list Broker gives
33. to Buyer within 72 hours after the end of this Agreement.

34. The Broker is authorized to negotiate and receive compensation paid by Seller, or broker representing or assisting Seller, if Broker tells Buyer in
35. writing before Buyer signs an offer to purchase the property. Any compensation accepted by Broker from Seller, or broker representing or
36. assisting Seller, **SHALL** **SHALL NOT** reduce any obligation of Buyer to pay the compensation.
----- (check one) -----

37. Buyer shall not be obligated to compensate Broker if upon expiration of this Agreement, Buyer has entered into another valid Contract for Exclusive or
38. Non-Exclusive Right to Represent Buyer, pursuant to which Buyer is obligated to compensate another broker for Purchase of real property.

39. **CAUTION: BUYER'S ACTIONS IN LOCATING A PROPERTY MAY AFFECT PAYMENT OF COMPENSATION BY SELLER(S) AND
40. MAY THEREFORE OBLIGATE BUYER TO PAY ALL OR PART OF THE COMPENSATION IN CASH AT CLOSING. FOR
41. EXAMPLE: THE ACT OF GOING THROUGH AN OPEN HOUSE UNACCOMPANIED BY YOUR BROKER OR BROKER'S
42. SALESPERSON OR SIGNING A PURCHASE AGREEMENT THROUGH ANOTHER BROKER OR WITH OWNER (FOR SALE BY
43. OWNER) MAY REQUIRE YOUR PAYMENT OF THE FULL COMPENSATION TO YOUR BROKER.**

44. **OTHER POTENTIAL BUYERS:** Broker may represent or work with other potential buyers for the same property before, during and
45. after the expiration of this Agreement. Other potential buyers may consider, make offers or Purchase through Broker the same or similar
46. properties as Buyer is seeking to acquire.

47. **PREVIOUS AGENCY RELATIONSHIPS:** Broker and salesperson may have had a previous agency relationship with a seller of a property
48. the Buyer is interested in purchasing. Buyer acknowledges that Buyer's Broker or salesperson is legally required to keep information regarding
49. the ultimate price and terms the seller would accept and the motivation for selling confidential, if known.

50. **PRIVATE INSPECTION/WARRANTY:** Broker recommends that Buyer obtain a private home inspection to satisfy himself/herself
51. with the physical condition of the property. Furthermore, there are warranty programs available for some properties which Buyer may
52. wish to investigate prior to a purchase of any specific property.

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

55. **GENERAL NATURE OF PROPERTY** (including the following property types: existing, new construction or to-be-built): (check all that apply)

56. Residential / Personal Residential / Investment Commercial / Industrial Recreation Farm Vacant Land

57. **OTHER:** _____

58. _____ *Buyer has had the opportunity to review page two (2) of this Agreement.*
(initial)

59. **AGENCY REPRESENTATION:** If the Buyer(s) choose to purchase a property listed by Broker, a dual agency will be created. This means that
60. Broker will represent both the Buyer(s) and the Seller(s), and owe the same duties to the Seller(s) that Broker owes to the Buyer(s). This conflict
61. of interest will prohibit Broker from advocating exclusively on the Buyer(s) behalf. Dual agency will limit the level of representation Broker can
62. provide. If a dual agency should arise, the Buyer(s) will need to agree that confidential information about price, terms and motivation will still be
63. kept confidential unless the Buyer(s) instruct Broker in writing to disclose specific information about the Buyer(s). All other information will be
64. shared. Broker cannot act as a dual agent unless both the Buyer(s) and the Seller(s) agree to it. By agreeing to a possible dual agency, the Buyer(s)
65. will be giving up the right to exclusive representation in an in-house transaction. However, if the Buyer(s) should decide not to agree to a possible dual
66. agency, and the Buyer(s) want(s) Broker to represent the Buyer(s), the Buyer(s) may give up the opportunity to purchase the properties listed by Broker.
67. **Buyer's Instructions to Broker:**

- 68. _____ Buyer(s) will agree to a dual agency representation and will consider properties listed by Broker.
- 69. _____ Buyer(s) will not agree to a dual agency representation and will not consider properties listed by Broker.

70. Real Estate Company Name: _____ Buyer: _____

71. By: _____ Buyer: _____
(Salesperson)

72. _____ Date: _____

73. _____ (Broker) _____ (Buyer) _____ (Date)

74. (By) _____ (Date) _____ (Buyer) _____ (Date)
(Salesperson)

75. _____ (Address) _____ (Address)

76. _____ (Phone) _____ (Phone)

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

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80. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION**

81. Information regarding the predatory offender registry and persons registered with the predatory offender registry under MN
82. Statute 243.166 may be obtained by contacting the local law enforcement offices in the community where the property is
83. located, or the Minnesota Department of Corrections at (651) 642-0200, or from the Department of Corrections Web site at
84. www.corr.state.mn.us.

85. **ADDITIONAL NOTICES AND TERMS**

86. If either Buyer or Broker brings an action for enforcement of this Agreement, the prevailing party in such action shall be entitled to
87. recover all costs and expenses including all reasonable attorneys' fees and court costs.

88. **CONSENT FOR COMMUNICATION**

89. Buyer authorizes Broker and its salespersons to contact Buyer by mail, phone, fax, e-mail or other means of communication
90. during the term of this Agreement and anytime thereafter.