

DRAFT

BUYER-BROKER EXCLUSIVE EMPLOYMENT AGREEMENT

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Notice to Buyer: All REALTORS® are required to have a signed written agreement prior to showing a home to a buyer.

1. **Buyer:** _____ (“Buyer”)
2. **Broker:** _____ acting through
FIRM NAME
3. **Agent:** _____ (“Broker”).
AGENT’S NAME AGENT’S NAME

4. **Agreement:** This Buyer-Broker Exclusive Employment Agreement (“Agreement”) is between Buyer and Broker. In consideration of
5. Broker’s agreement to assist Buyer to locate, negotiate and facilitate the purchase of a property, Buyer gives Broker the exclusive
6. and irrevocable right to represent Buyer in the purchase of a property during the term.

7. Buyer acknowledges that signing more than one Buyer-Broker Exclusive Employment Agreement or similar agreement(s) could
8. make Buyer liable to compensate multiple brokers.

9. **Term:** This Agreement shall commence on _____ and expire at 11:59 p.m. Mountain Standard Time, on
10. _____ (“Expiration Date”).

11. **Employment:** Broker agrees to:
12. a. locate Property meeting the following general description:
13. D Residential D Land D Commercial D Other: _____ (“Property”) within
14. the following geographical area(s): _____;
15. b. negotiate at Buyer’s direction to obtain acceptable terms and conditions for the purchase, exchange, or option of the Property;
16. c. assist Buyer during the transaction within the scope of Broker’s expertise and licensing.

17. **Agency Relationship:** The agency relationship between Buyer and Broker shall be:
18. D as set forth in the Real Estate Agency Disclosure and Election form.
19. D Other: _____

20. **Property Viewings:** Buyer agrees to work exclusively with Broker and be accompanied by Broker on Buyer’s first visit to any Property.
21. **If Broker does not accompany Buyer on the first visit to any Property, including a model home, new home/lot or “open**
22. **house” held by a builder, seller or other real estate broker, Buyer acknowledges that the builder, seller or seller’s broker may**
23. **refuse to compensate Broker, which will eliminate any credit against the agreed upon Broker Compensation below.**

24. **Buyer agrees to review the Arizona Department of Real Estate Buyer Advisory to assist in Buyer’s inspections and investigations.**

25. **BROKER COMPENSATION IS NOT SET BY LAW, NOR BY ANY BOARD, ASSOCIATION OF REALTORS®, MULTIPLE LISTING**
26. **SERVICE OR IN ANY MANNER OTHER THAN AS FULLY NEGOTIATED BETWEEN BROKER AND BUYER IN THIS AGREEMENT.**

27. (BUYER’S INITIALS) _____ / _____

28. **Retainer Fee:** (Check if applicable) D Buyer agrees to pay Broker a non-refundable retainer fee in the amount of \$ _____ ,
29. within five (5) days or _____ days of execution of this Agreement, which is earned when paid, for initial consultation,
30. research and other services. This fee D shall D shall not be credited against the Broker Compensation below.

31. **Broker Compensation:** If Buyer, or any entity owned or controlled by Buyer, closes escrow on a transaction for the purchase,
32. exchange, or option of a Property, Buyer agrees to compensate Broker as follows (“Broker Compensation”):

33. **(CHECK ONLY ONE AND FILL IN THE COMPENSATION WHICH MUST BE A FIXED AMOUNT OR RATE):**
34. D _____ % of the full purchase price or exchange value; or
35. D \$ _____; or
36. D other: _____

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37. The Broker Compensation shall be in U.S. currency and paid at the time of and as a condition of closing for purchase or exchange
38. or as otherwise agreed upon in writing.

39. a. **Compensation from seller or seller's broker:** A seller or seller's broker may offer compensation to Broker. Buyer
40. authorizes Broker to accept compensation from seller or seller's broker, which shall be credited against Broker Compensation.

41. If seller or seller's broker's offer of compensation is greater than the Broker Compensation, Broker shall be paid the Broker
42. Compensation and the balance shall be credited to Buyer (to the extent allowed by Buyer's lender). Broker will not receive any
43. amount greater than Broker Compensation from any source for services provided in this Agreement.

44. If seller or seller's broker's offer of compensation is less than the Broker Compensation, Buyer may request seller to pay the
45. Broker Compensation as part of an offer to purchase the Property. Any Broker Compensation not paid by seller or seller's
46. broker shall be paid by Buyer.

47. **Notice:** Unless modified by VA regulations, VA financed transactions shall be conditioned upon the Broker
48. Compensation being paid by the seller or seller's broker.

49. b. **Failure to Complete:** Once an acceptable Property is located, Buyer agrees to act in good faith to acquire the Property
50. and conduct any inspections/investigations of the Property that Buyer deems material and/or important. If completion of any
51. transaction is prevented by Buyer's breach or with the consent of Buyer other than as provided in the purchase contract, the
52. Broker Compensation shall be due and payable by Buyer.

53. c. **Compensation After Expiration Date:** After the Expiration Date of this Agreement, Buyer agrees to pay Broker
54. Compensation if: (i) within _____ calendar days after the Expiration Date, Buyer enters into an agreement to purchase,
55. exchange, or option any Property shown or negotiated by Broker on behalf of Buyer during the Term of this Agreement; or (ii)
56. Buyer closes escrow on a Property pursuant to a purchase contract that was executed during the Term of this Agreement; or
57. (iii) Buyer closes escrow on a Property for which escrow was opened during the Term of this Agreement.

58. **Listings:** Broker shall show property listings that fit Buyer's criteria regardless of the compensation offered to Broker by seller
59. or seller's broker unless instructed otherwise by Buyer in writing. If necessary, Buyer instructs Broker to negotiate Broker
60. Compensation be paid by seller or seller's broker. These negotiations shall not jeopardize, delay, or interfere with the initiation,
61. processing or finalizing of a transaction.

62. **Notice:** If Buyer decides they do not wish to view property listings unless the seller or seller's broker has
63. offered adequate compensation to Broker, the Buyer must make that instruction to Broker in writing.

64. **Equal Housing Opportunity:** Broker's policy is to abide by all local, state, and federal laws prohibiting discrimination against any
65. individual or group of individuals. Broker may not disclose the racial, ethnic, or religious composition of any neighborhood,
66. community, or building, nor whether persons with disabilities are housed in any home or facility, except that Broker may identify
67. housing facilities meeting the needs of a disabled buyer. For more information, consult Fair Housing Advisory.

68. **Other Potential Buyers:** Buyer consents and acknowledges that other potential buyers represented by Broker may consider,
69. make offers on, or acquire an interest in the same or similar properties as Buyer is seeking.

70. **Release of Broker:** Buyer recognizes, acknowledges, and agrees that Broker is not qualified, nor licensed to offer advice on financial,
71. legal or tax matters regarding real estate transactions ("Related Services"). Broker, if requested, may provide Buyer the names of third-
72. party professionals who claim to perform Related Services. Buyer is instructed to independently investigate all potential third-party
73. professionals and use their sole discretion in selecting which third-party professionals to hire, if any. **Buyer expressly releases, holds
74. harmless, and indemnifies Broker from any and all liability and responsibility regarding Buyer's selection and use of third-
75. party professionals to perform Related Services or Buyer's election not to use the services of such third-party professionals.**

76. (BUYER'S INITIALS) _____ / _____

77. **Additional Terms and Conditions:**
78. _____
79. _____
80. _____

81. **Alternative Dispute Resolution ("ADR"):** Buyer and Broker (the "Parties") agree to mediate any dispute or claim arising out of
82. or relating to this Agreement in accordance with the mediation procedures of the applicable state or local REALTOR® association

83. or as otherwise agreed. All mediation costs shall be paid equally by the Parties. In the event that mediation does not resolve
84. all disputes or claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the Parties
85. shall agree upon an arbitrator and cooperate in the scheduling of an arbitration hearing. If the Parties are unable to agree on an
86. arbitrator, the dispute shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration
87. Rules for the Real Estate Industry. The decision of the arbitrator shall be final and non-appealable. Judgment on the award
88. rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, either Party may
89. opt out of binding arbitration within thirty (30) days after the conclusion of the mediation conference by notice to the other and in
90. such event either Party shall have the right to resort to court action.

91. The Parties agree that any and all disputes or claims will be brought in the Parties' individual capacity, and not as a plaintiff or class
92. member in any purported class, collective, representative, or other consolidated proceeding. The Parties hereby waive their right to
93. commence, become a party to or remain a participant in any group, representative, class collective or hybrid class/collective action
94. in any proceeding and the arbitrator shall not preside over any form of a group, representative or class collective proceeding.

95. (BUYER'S INITIALS) _____ / _____

96. **Attorney Fees and Costs:** In any non-REALTOR® association proceeding to enforce the compensation due to Broker pursuant
97. to this Agreement, the prevailing party shall be awarded their reasonable attorney fees and arbitration costs.

98. **Arizona Law:** This Agreement shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.

99. **Copies and Counterparts:** This Agreement may be executed by facsimile or other electronic means and in any number of
100. counterparts. A fully executed facsimile or electronic copy of the Agreement shall be treated as an original Agreement.

101. **Entire Agreement:** This Agreement, and any addenda and attachments, shall constitute the entire agreement between Buyer
102. and Broker, and shall supersede any other written or oral agreements between Buyer and Broker and can be modified only by a
103. writing signed by Buyer and Broker. Invalidity or unenforceability of one or more provisions of this Agreement shall not affect any
102. other provisions of this Agreement.

104. **Capacity:** Buyer warrants that Buyer has the legal capacity, full power and authority to enter into this Agreement and consummate
105. the transaction contemplated hereby on Buyer's own behalf or on behalf of the party Buyer represents, as appropriate.

106. **Acceptance:** Buyer hereby agrees to all of the terms and conditions herein and acknowledges receipt of a copy of this Agreement.

107. _____ **DRAFT** _____ **DRAFT** _____
^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

108. _____
^ BUYER'S NAME PRINTED ^ BUYER'S NAME PRINTED

109. _____
ADDRESS CITY STATE ZIP CODE

110. _____
TELEPHONE EMAIL ADDRESS

111. _____
FIRM NAME

112. _____
ADDRESS CITY STATE ZIP CODE

113. _____ **DRAFT** _____ **DRAFT** _____
^ AGENT'S SIGNATURE MO/DA/YR ^ AGENT'S SIGNATURE MO/DA/YR

For Broker Use Only:
Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DA/YR