

OTSEGO-DELAWARE BOARD OF REALTORS, INC.

THIS IS A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD
WE RECOMMEND CONSULTING AN ATTORNEY BEFORE SIGNING.

EXCLUSIVE RIGHT TO REPRESENT AGREEMENT

Buyer _____ [hereinafter called "Client"]

hereby retains _____ [hereinafter called "Broker"]

represented by _____ ["Salesperson/Associate Broker"] to assist Client in locating and/or negotiating for the purchase of real property, a general description of which is provided below. The terms and conditions of this Agreement are as follows:

1. AGREEMENT PERIOD

This Agreement begins upon signing and ends at midnight on _____, 20____ or upon the closing of a property purchased in accordance with this Agreement.

2. BROKER'S OBLIGATIONS

- Broker agrees to:
- [a] Use diligence in locating a property on price and terms acceptable to Client;
 - [b] Use professional knowledge and skills to negotiate for Client's purchase of the property;
 - [c] Assist Client throughout the transaction and act in Client's best interests at all times;
 - [d] Present purchase offers to the seller or to seller/s agent if a written authorization granting exclusive authority exists;
 - [e] Assist Client in obtaining financing and in researching financing alternatives.

3. CLIENT'S OBLIGATIONS

During the term of this Agreement, Client agrees:

- a. To provide to Broker upon request:
 - i. the general nature, location, requirements and preferred terms and conditions, which Client is seeking in connection with the acquisition of desired property; and
 - ii. relevant personal and financial information to assure Client's ability to obtain financing;
 - iii. Client agrees to work exclusively with Broker and not with other real estate brokers, salespersons or owners, with respect to viewing properties and agrees to refer to Broker all inquiries in any form from any other real estate broker, salesperson, prospective seller or any other source; and
 - iv. conduct in good faith all negotiations for property, exclusively through Broker.
- b. To compensate Broker if Client or any other person acting on Client's behalf buys, exchanges for, obtains an option on, or leases real property. The compensation shall be \$ _____ or ____% of the purchase price of the property or ____% of the aggregate rental of the Lease and all options as exercised or \$ _____, which sum shall become due and payable when Broker brings about a meeting of the minds between Client and the seller/lessor.
- c. If the property is listed with a real estate company or licensee, Broker will accept a fee equal to the fee being offered to cooperating agents, but in no event less than the amount set forth above. If such fee, or any portion thereof, is paid by the seller/lessor or the seller's/lessor's agent as a convenience of the transaction, Client will be credited by Broker for the amount so paid.

- d. Client acknowledges that if within _____ months of the termination of this Agreement, with or without the services of a licensed agent, Client buys, exchanges for, obtains an option on, or leases real property shown to Client by Broker during the term of this Agreement, compensation as set forth in this Agreement shall be applicable and Client shall pay such fee to Broker, provided however, that if during such protection period a valid exclusive buyer agency agreement is entered into with another real estate broker, any payments made thereunder for said transaction may be credited against the sums otherwise due and owing pursuant to this Agreement.

4. ADVICE ON TECHNICAL MATTERS

Broker will not counsel Client on legal matters, home inspections, public health, surveying, tax, financial or other technical matters which are outside of the scope of the Broker's expertise. Broker has recommended to Client that Client seek the advice and counsel of qualified experts in connection with the physical condition of the property, its state of repair, water, termite, radon, lead and similar tests and as to legal matters with respect to the property. Client hereby acknowledges that it is Client's sole responsibility for obtaining such services and for retaining any experts which Client chooses to obtain.

5. FAIR HOUSING

Broker is committed to compliance with all laws as well as the philosophy of fair housing for all people. Broker will present properties to Client in full compliance with local, State and Federal Fair Housing laws against discrimination on the basis of race, color, religion, sex, national origin, handicap, age, marital status and/or familial status, children or other prohibited factors.

6. IN-HOUSE SALES

If Broker has an agency relationship with Client ["buyer's broker"], and Client expresses interest in property owned by a seller who has an agency relationship with Broker ["seller's broker"], a conflict has arisen.

The Broker shall immediately advise both the buyer client and seller client of the pertinent facts including the fact that a dual agency situation has arisen, and that the **following options are available**:

1. **Broker and Client could dissolve their agency relationship.** Client may then seek to retain another broker, and/or an attorney, or may represent (her) himself. This would release Client from any Broker employment contract which was entered into with Broker. Broker may continue to act as Agent for Seller.
2. **Broker and seller could dissolve their agency relationship.** The seller may then seek to retain another broker, and/or an attorney, or may represent (her) himself. This would release the seller from any listing agreement which was entered into with Broker. Broker may continue to act as agent for Client.
3. **With fully informed consent, Client and seller may elect to continue with the brokerage firm serving as a consensual dual agent, which is the exception to the general rule that agents serve one principal.** As a dual agent, the firm and its licensee agents have a duty of fairness to both principals. By mutual agreement the buyer and seller may identify who will negotiate for each principal. For example: [a] the licensee who signed the buyer as a principal of the brokerage firm may negotiate on behalf of the buyer principal and [b] the licensee who signed the seller as a principal of the firm may negotiate on behalf of the seller principal.

As a dual agent, the firm and its agents cannot furnish undivided loyalty to either party.

As a dual agent, the firm and its licensee agents have a duty not to disclose confidential information given by one principal to the other principal, such as the price one is willing to pay or accept. Such information may already be known to the firm and its agents. If the information is of such a nature that the agent cannot fairly give advice without disclosing it, the agent cannot properly continue to act as an agent.

4. **With fully informed consent, Client and seller may elect to continue with the brokerage firm serving as a consensual dual agent with designated sales agents.** The broker of the firm will be a dual agent and the seller and buyer will have different agents of the firm advocate on their behalf. The designated sales agent for the buyer will function as the buyer's agent representing the interests of and advocating on behalf of the buyer and the designated sales agent for the seller will function as the seller's agent representing the interests of and advocating on behalf of the seller in the negotiations between the buyer and seller. A designated sales agent cannot provide the full range of fiduciary duties to the buyer or seller. The designated sales agent must explain that like the dual agent under whose supervision they function, they cannot provide undivided loyalty.

In either case, the brokerage commission will be paid by the seller in accordance with the listing agreement with the seller, unless different arrangements have been negotiated.

The buyer, seller and broker shall memorialize the option of their mutual choice by executing a statutory disclosure notice. If there is no mutual agreement, the proposed transaction between buyer and seller shall not be pursued.

7. OTHER POTENTIAL BUYERS

Client understands that other potential buyers may consider making offers on or acquire, through Broker, the same or similar properties as Client is seeking to acquire. Client consents to Broker's representation of such other potential buyers before, during and after the expiration of this Agreement.

8. PURCHASE OFFER MONEYS

In the event Client provides to Broker a check for purchase offer moneys, Client hereby instructs Broker to hold said check pending acceptance of the offer and to deliver or deposit said check when, as and if an offer made by Client has been accepted by owner. If Broker is also agent of the owner, Client acknowledges that upon acceptance of Client's offer and deposit of such funds, that Broker will be acting as agent of both the owner and Client with respect to such moneys and will release such moneys only as follows:

- a. upon direction of Client and owner; or
- b. to an attorneys' escrow account maintained by owner's attorneys; or
- c. deposit same with the Clerk of the Supreme Court in the County in which the property is located, pursuant to an interpleader petition.

9. ADDITIONAL TERMS

- a. Upon request by Broker, Client agrees to provide a signature acknowledgement to a listing of properties shown to Client by Broker during the term of this Agreement.
- b. This document and any Addendum hereto, contains the entire agreement of the parties and supersedes all prior agreements or representations which are not expressly set forth herein between these parties.

- c. This Agreement may be modified only in writing signed and dated by both parties. Client acknowledges that Client has not relied on any statements of Broker which are not herein expressed.

10. HOME EQUITY THEFT PREVENTION ACT

Please initial (only one)

____ I am planning to purchase property for use as a primary residence

____ I am planning on purchasing property for use as a second home or investment property.

11. PROPERTY

TYPE OF PROPERTY: Residential Residential Income Commercial /Industrial
 Vacant Land Other

GENERAL NATURE OF PROPERTY: _____

LOCATION: _____

PRICE RANGE: _____

PREFERRED TERMS: _____

POSSESSION: _____

OTHER REQUIREMENTS: _____

The undersigned Client acknowledges that [he] [she] has thoroughly read and approved each of the provisions contained herein and acknowledges receipt of a copy hereof.

THIS IS A LEGAL AND BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, PLEASE CONSULT YOUR ATTORNEY.

 Broker Date

 Client Date

 Salesperson/Associate Broker Date

 Client Date