

PURCHASER AGENCY AGREEMENT

(TRADITIONAL)

Broker Name: _____ Prospective Purchaser Name(s): _____

Address of Agency: _____ Prospective Purchaser Address: _____

Office Phone: _____ Prospective Purchaser Phone: _____

Office Fax: _____ Prospective Purchaser Email: _____

Realtor®: _____

Realtor® Email Address: _____

1. **TERM OF AGREEMENT.** This Purchaser Agency Agreement (this “Agreement”) is entered into as of the ____ day of _____, 20__ (the “Effective Date”) by and between the Broker and Prospective Purchaser (the “Purchaser”) set forth above. The term of this Agreement shall commence on _____ and shall continue until 11:59 p.m. on _____ (the “Term”).

2. **PURPOSE.** Broker (or an agent on its behalf) (together the “Broker”) shall assist Purchaser in procuring and purchasing real estate, as more particularly described in Section 3. Broker’s services shall include, but not be limited to, consulting with Purchaser regarding available properties and the desirability of those particular properties; the availability of financing; formulating acquisition strategies; and negotiating purchase agreements. Purchaser acknowledges that Broker is not acting as attorney, tax advisor, surveyor, appraiser, environmental expert or structural or mechanical engineer, and that Purchaser should contact professionals for purposes of advice and inspections in these fields.

Broker shall not advise Purchaser as to the location of any property within a floodplain or as to floodplain insurance requirements. Purchaser is encouraged to visit the website <http://www.floodsmart.gov/floodsmart> and/or consult with appropriate professionals on these matters.

3. **PROPERTY.** Purchaser desires to purchase real property meeting the following criteria:

Residential Condominium Location: _____

Square Footage (range): _____ Bedrooms: _____ Bathrooms: _____

Garage Pool Basement Waterfront

Other: _____

(“Desired Property”).

4. **EXCLUSIVE AGENT.** Purchaser agrees that during the Term, any and all inquiries and/or negotiations on behalf of Purchaser relating to the acquisition of any Desired Property shall be through Broker and through no other third party.

5. COMPENSATION OF BROKER.

BROKER COMMISSIONS ARE NOT SET BY LAW AND ARE FULLY NEGOTIABLE.

Purchaser understands and acknowledges that Broker's fee for services rendered is not fixed, controlled or recommended by law, the MLS or any person not a party to this Agreement. In consideration for the services to be performed under the Agreement, Purchaser agrees to pay Broker as follows (check as applicable):

Retainer Fee. *Purchaser shall pay Broker a non-refundable Retainer Fee of \$_____, due and payable upon execution of this Agreement.* The Retainer Fee shall be applied against any commission earned by Broker in a completed real property purchase transaction contemplated by this Agreement.

Hourly Fee. *Purchaser shall pay Broker an Hourly Fee of \$_____ for services performed under this Agreement due and payable upon receipt of invoice(s) from Broker.* The Hourly Fee shall be applied against any commission earned by Broker in a completed real property purchase transaction contemplated by this Agreement.

Flat Fee. *In the event a Desired Property is procured and Purchaser contracts to purchase it, Purchaser will pay Broker a Flat Fee equal to \$_____.* The Flat Fee is due and payable upon closing of the real property purchase transaction; provided, however, that if the transaction does not close because of any default on the part of Purchaser, the Flat Fee shall become immediately due and payable to Broker. The obligation to pay the Flat Fee shall apply to any purchase agreement(s) executed during the Term or during any extension of the Term. The obligation to pay the Flat Fee will also apply to purchase agreement(s) executed within _____ months after the expiration or other termination of this Agreement, if the property acquired was presented to Purchaser during the Term or any extension of the Term.

Commission. *In the event a Desired Property is procured and Purchaser contracts to purchase it, Purchaser will pay Broker a Commission equal to _____% of the purchase price.* The Commission is due and payable upon closing of the real property purchase transaction; provided however, that if the transaction does not close because of any default on the part of the Purchaser, the Commission shall become immediately due and payable to Broker. The obligation to pay the Commission shall apply to any purchase agreement(s) executed during the Term, or during any extension of the Term. The obligation to pay the Commission will also apply to purchase agreement(s) executed within _____ months after the expiration or other termination of this Agreement, if the property acquired was presented to Purchaser during the Term or any extension of the Term.

Other. _____

_____.

The parties understand, acknowledge and agree that the foregoing agreement on compensation is objectively ascertainable and not open-ended.

Broker shall not receive compensation for brokerage services from any source that exceeds the amount or rate agreed to herein with Purchaser (unless this Agreement is amended in writing by the parties hereto).

6. **CREDIT.** Purchaser will receive a credit against any amount owed pursuant to Section 5 for any commission paid to Broker by the seller or the seller's listing broker pursuant to a separately negotiated arms-length agreement. ***To the extent that any such agreement is entered into it shall be provided to Purchaser and: (i) the agreement must specify and conspicuously disclose the amount or rate of compensation received and how this amount is or was determined; (ii) the amount must be objectively ascertainable and not open-ended; and (iii) the amount must not exceed the amount or rate agreed upon in this Agreement.***

7. **DISCLOSURE OF BROKER'S ROLE.** At the time of any initial contact, Broker shall inform all prospective sellers and their agents that Broker is acting on behalf of Purchaser. **Broker may preserve any confidential information obtained by it during another agency relationship or in a prior or pending transaction or business relationship. Purchaser acknowledges and agrees that the preservation of this confidential information shall not constitute a breach of any fiduciary duty owed to Purchaser by Broker.**

8. **CONFLICT OF INTEREST (PURCHASERS).** Purchaser acknowledges that Broker may represent other purchasers desirous of purchasing property similar to the Desired Property. Purchaser acknowledges and agrees that Broker may show more than one purchaser the same property and may prepare offers on the same property for more than one purchaser. Broker shall preserve any confidential information disclosed by any purchaser-client and shall not disclose the existence of, or the terms of, any offer prepared on behalf of one purchaser to another purchaser. In the event Broker represents two (2) competing purchaser-clients in connection with any specific property, Purchaser understands, acknowledges and agrees that Broker shall work equally for both purchaser-clients. In such event, Broker shall disclose such representation and shall be relieved of the full range of fiduciary duties owed by a purchaser's agent to a purchaser. In this situation, the competing purchaser-clients forfeit their rights to undivided loyalty and will be owed only limited duties of disclosure, obedience and confidentiality.

9. **CONFLICT OF INTEREST (SELLERS).** In the event Purchaser becomes interested in a property listed by Broker (check as applicable):

This Agreement shall automatically terminate only with regard to that seller's property (but shall continue as to all other real property) and Broker shall continue the agency relationship with the seller where the agency relationship was terminated pursuant to this paragraph. Any fees previously paid to Broker by Purchaser pursuant to this Agreement shall be returned to Purchaser at closing.

Broker shall act as disclosed dual agent of both Purchaser and the seller. In such event, Broker shall be entitled to any fees owed by Purchaser pursuant to this Agreement.

Broker shall act as a transaction coordinator to facilitate the transaction, and not as an agent for either Purchaser or the seller. In such event, Broker shall be entitled to any fees owed by Purchaser pursuant to this Agreement.

10. **PURCHASER DISCLOSURE.** Purchaser agrees to disclose to Broker relevant personal and financial information to assure Broker that Purchaser has the ability to complete any transaction contemplated by this Agreement. Purchaser hereby grants to Broker the authority to disclose such information as Broker deems necessary or appropriate in order to influence the decision of a seller to accept an offer from Purchaser.

11. COST OF SERVICES OR PRODUCTS OBTAINED FROM OUTSIDE SOURCES. Broker will not obtain or order products or services from outside sources (e.g., surveys, soil tests, title reports, inspections) without the prior consent of Purchaser. Purchaser agrees to pay for all costs for products or services obtained with Purchaser's consent.

12. INDEMNIFICATION. Purchaser agrees to indemnify and hold harmless Broker and Broker's agents for any and all costs or damages arising out of Purchaser's breach of its obligations in connection with this Agreement, such costs or damages to include, but not be limited to, reasonable attorneys' fees and costs.

13. NON-DISCRIMINATION. Broker and Purchaser understand, acknowledge, and agree that, in connection with any prospective purchase of a Desired Property as contemplated hereunder, neither party shall discriminate against a third party on the basis of that third party's religion, race, color, national origin, age, sex, disability, familial status, marital status, sexual orientation, or gender identity or expression. Broker and Purchaser further understand, acknowledge, and agree that local ordinances may prohibit discrimination against other protected classes.

14. CONDITION OF PROPERTY. Purchaser shall not rely on Broker to determine the suitability of any Desired Property for the Purchaser's purposes or regarding the environmental or other condition of the Desired Property.

15. LIMITATION. Purchaser and Broker agree that any and all claims or lawsuits between the parties to this Agreement must be filed no more than six (6) months after the date of termination of this Agreement. The parties waive any statute of limitations to the contrary.

16. MISCELLANEOUS. This Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of Michigan and the parties' consent to the jurisdiction of the courts of the State of Michigan for all purposes hereunder. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior arrangements, understandings, negotiations and discussions, whether oral or written, of the parties. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless in writing and executed by the party against whom enforcement is sought. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Except as otherwise expressly provided herein, nothing herein is intended to confer upon any person, other than the parties, and their respective successors and permitted assigns, any rights or remedies whatsoever. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Any electronic signature hereon shall be given the same force and effect as an original signature. Time shall be deemed to be of the essence of this Agreement. The captions inserted herein are inserted only as a matter of convenience and in no way define, limit, construe, affect or describe the scope or intent of this Agreement. Wherever herein the singular is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa, whenever the context so requires. The parties hereto have participated in the drafting, preparation and negotiation of this Agreement. Each of the parties acknowledges such participation and negotiation in order to avoid the application of any rule construing contractual language against the drafter thereof and agrees that the provisions of this Agreement shall be construed without prejudice to the party who actually memorialized this Agreement in final form. If any one or more of the provisions of this Agreement, or the applicability of

any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid or enforceable, and the validity and enforceability of all other provisions of this Agreement and all other applications of any such provision shall not be affected thereby. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given on the day thereof if delivered by hand and receipted for by the party to whom said notice or other communications shall have been directed or three (3) days after mailed by certified or registered mail with postage prepaid or one (1) day after depositing said notice in the hands of a nationally recognized overnight delivery service and addressed to the party at its address set forth above. As used herein, "person" means any individual, partnership, corporation, limited liability company, limited partnership, trust, unincorporated association, governmental body or other entity; "affiliate" means any person controlling, controlled by or under common control with the referenced person; and "control" and its correlatives means: the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through ownership of voting securities or other interests, by contract or otherwise.

17. ADDITIONAL TERMS.

18. RECEIPT. Purchaser has read this Agreement and acknowledges receipt of a completed copy of this Agreement.

Remainder of page blank; signature page follows.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

Broker

Prospective Purchaser

Prospective Purchaser

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