



CHICAGO ASSOCIATION OF REALTORS®
EXCLUSIVE BUYER - BROKER AGREEMENT
This Contract is Intended to be a Binding Real Estate Contract
 Rev. 01/2012



- 1 **1. BROKER.** This Exclusive Buyer-Broker Agreement ("**Agreement**") is entered into by and between _____
 2 _____ ("**Broker**") and _____ ("**Buyer**").
 3 Broker agrees to appoint a sales associate affiliated with Broker to act as the Buyer's designated agent ("**Buyer's Designated Agent**") for the
 4 purpose of assisting Buyer in identifying and negotiating the acquisition of residential real estate ("**Property**") and Buyer agrees to grant
 5 Buyer's Designated Agent the exclusive right ("**Exclusive Right**") to represent Buyer in such acquisition per the terms and conditions set forth
 6 in this Agreement. The terms "acquire" or "acquisition" shall mean the purchase (title transfer or Articles of Agreement for deed), lease,
 7 exchange, or contract for the option to purchase Property by Buyer or anyone acting on Buyer's behalf.
- 8 **2. TERM.** Broker's Exclusive Right shall extend from the Effective Date, as set forth on page 3 ("**Commencement Date**"), until 11:59
 9 P.M. on _____, 20____, at which time this Agreement shall automatically terminate ("**Termination Date**").
- 10 **3. COMPENSATION.** Broker shall seek to be paid a commission from the listing broker under a cooperative brokerage arrangement
 11 or from the seller if there is no listing broker. **In the event that the seller or listing broker does not pay Broker a commission, then
 12 Buyer shall pay Broker at the time of closing, compensation equal to _____% [percent] of the purchase price of the Property
 13 which Buyer acquires during the Term of this Agreement ("**Acquisition Commission**"), whether or not the Property has been
 14 identified by Broker to Buyer.** If Buyer leases Property or enters into a lease/purchase contract during this Agreement, and the landlord
 15 does not agree to pay Broker a leasing commission, then Buyer shall pay to Broker for the duration of the lease, including all renewals and
 16 extensions, a commission of _____% [percent] of the yearly lease amount **OR** a \$_____ flat fee commission (*strike one*) ("**Rental
 17 Commission**"). The Rental Commission and the Acquisition Commission are together referred to as "**Compensation**". Furthermore, if
 18 Buyer acquires (or enters into an agreement to acquire) Property that was identified to Buyer by Broker during the Term of this Agreement
 19 within _____ days / months (*strike one*) following the Termination Date ("**Compensation Deadline**"), then Buyer shall pay Broker at
 20 closing or upon the commencement of any lease, as the case may be, the Compensation set forth above. If Buyer enters into an agreement to
 21 acquire Property and the closing does not occur because of any fault on the part of Buyer, then Broker shall still be entitled to the
 22 Compensation set forth above. In no event shall Broker be obligated to advance funds to Buyer to facilitate the closing of any acquisition.
 23 **(strike the following sentence if NOT applicable)** Buyer shall pay Broker's Designated Agent a non-refundable retainer fee of
 24 \$_____ which shall be due and payable to, and shall be considered earned by, Broker upon signing this Agreement. Buyer's
 25 obligations under this Paragraph 3 shall survive the termination of this Agreement.
- 26 **4. MINIMUM SERVICES.** Pursuant to the Real Estate License Act of 2000, as amended, Broker must provide, at a minimum, the
 27 following services: (a) accept delivery of and present to the Buyer offers and counteroffers to sell or lease any Property that Buyer seeks to
 28 acquire; (b) assist the Buyer in developing, communicating, negotiating and presenting offers, counteroffers and notices that relate to the
 29 offers and counteroffers until a lease or agreement for the acquisition of the Property is signed and all contingencies have been satisfied or
 30 waived; and (c) answer the Buyer's questions relating to the offers, counteroffers, notices and contingencies.
- 31 **5. BUYER'S DESIGNATED AGENT.** Broker and Buyer agree that (a) _____, a
 32 sponsored licensee of Broker, is Broker's Designated Agent under this Agreement with Broker, and (b) neither Broker nor other sponsored
 33 licensees of Broker will be acting as agent for Buyer. Buyer understands and agrees that Broker and any of Broker's other sponsored
 34 licensees may enter into agreements with other prospective purchasers and sellers of Property as agents of those purchasers and sellers.
- 35 **6. BUYER'S DESIGNATED AGENT'S DUTIES.** Buyer's Designated Agent shall: (a) use best efforts to identify Properties
 36 available for acquisition that meet the Buyer's specifications relating to location, purchase price, features and amenities; (b) arrange, to the
 37 extent available, inspections of Properties identified by Buyer as potentially appropriate for acquisition; (c) negotiate a contract acceptable to
 38 Buyer for the acquisition of Property; (d) safeguard and protect any confidential or proprietary information that Buyer discloses to Buyer's
 39 Designated Agent; (e) disclose to Buyer any information known to Buyer's Designated Agent that would materially affect Buyer's decision to
 40 acquire the Property; and (f) assist Buyer, once a contract for acquisition is signed, in securing financing or other commitments or services as
 41 may be necessary to close the transaction.
- 42 **7. LIMITATIONS ON BUYER'S DESIGNATED AGENT'S DUTIES.** Buyer acknowledges and agrees that Broker's Designated
 43 Agent: (a) may enter into exclusive brokerage relationships with other buyers of Property and may show the same or similar Properties in
 44 which Buyer is interested to other prospective buyers that Buyer's Designated Agent represents; (b) is not an expert with regard to matters
 45 which could have been revealed through a survey, title search or inspection of the Property; the condition of Property or items within the
 46 Property; building products and construction techniques; the necessity or cost of any repairs to the Property; hazardous or toxic materials;
 47 termites and other wood destroying organisms; the tax and legal consequences of any acquisition; the availability and cost of utilities and
 48 community amenities; appraised or future value of the Property (or matters relating to financing for which Buyer is hereby advised to seek
 49 independent expert advice); and conditions off the Property which may affect the Property; (c) is not responsible for the accuracy of room
 50 dimensions, lot size, square feet, variances, zoning or use restrictions which may or may not be reflected in the Multiple Listing Service
 51 ("**MLS**") or other sources; (d) shall owe no duties to Buyer nor have any authority on behalf of buyer other than what is set forth in the
 52 Agreement; (e) may make disclosures as required by law; (f) may show Buyer Property which is listed in the MLS by Broker or Broker's
 53 Designated Agent; and (g) **IS NOT OBLIGATED TO SHOW PROPERTIES THAT ARE FOR SALE BUT NOT IN THE MLS IN WHICH
 54 BROKER OR BUYER'S DESIGNATED AGENT PARTICIPATE, UNLESS REQUESTED TO DO SO BY BUYER IN WRITING, AND THE
 55 PROPERTY IS AVAILABLE FOR SHOWING BY BUYER'S DESIGNATED AGENT.**
- 56 **8. BUYER'S DUTIES.** Buyer must (a) work **EXCLUSIVELY** with Buyer's Designated Agent to identify and acquire Property during
 57 the Term of this Agreement; (b) comply with reasonable requests of Buyer's Designated Agent to supply relevant financial information that
 58 may be necessary to permit Buyer's Designated Agent to fulfill its obligations under this Agreement; (c) be available upon reasonable notice

Buyer Initials: _____ Buyer Initials: _____

Broker Initials: _____ Broker Initials: _____

59 and at reasonable hours to inspect Properties that are potentially appropriate for acquisition by Buyer; (d) identify to Buyer's Designated
60 Agent those specific Properties not in the MLS that Buyer would want to inspect; (e) otherwise cooperate with Buyer's Designated Agent in
61 its efforts to fulfill its obligations under this Agreement; and (f) pay Broker, or cause seller's listing broker or seller to pay Broker, the
62 Compensation set forth in Paragraph 3 of this Agreement.

63 **9. DISCLAIMER.** Buyer acknowledges and agrees that Broker and Buyer's Designated Agent are being retained solely as real estate
64 professionals and NOT as attorney, tax advisor, surveyor, structural engineer, home inspector, environmental consultant, architect,
65 contractor, or other professional service advisor. Buyer understands and agrees that such other professional service providers are available to
66 render advice or services to Buyer, if desired, at Buyer's expense.

67 **10. INDEMNIFICATION OF BROKER.** Buyer hereby indemnifies and holds Broker and Buyer's Designated Agent harmless from
68 and against any and all claims, disputes, litigation, judgments, costs, and legal fees arising from (i) misrepresentations by Buyer or other
69 incorrect or incomplete information supplied by Buyer; (ii) earnest money handled by anyone other than Broker; and (iii) injuries to persons
70 on the Property and/or loss or damage to the Property or any portions of the Property.

71 **11. ARBITRATION.** Any controversy or claim arising out of or relating to this Agreement, or the breach of this Agreement, shall be
72 settled by arbitration in accordance with the rules of the Chicago Association of REALTORS, and judgment upon the award rendered by the
73 arbitrator may be entered in any court having jurisdiction.

74 **12. LIMITATION ON BROKER'S LIABILITY.** Neither Broker nor Buyer's Designated Agent shall, under any circumstances, have
75 any liability pursuant to this Agreement which is greater than the amount of the Compensation paid to Broker by Buyer or seller's listing
76 broker or seller, as the case may be (and excluding any commission amount retained by the listing broker, if any).

77 **13. REAL ESTATE SETTLEMENT PROCEDURES ACT COMPLIANCE.** Buyer shall comply with the Real Estate Settlement
78 Procedures Act of 1974, as amended ("*Act*"), if applicable, and furnish all information required for compliance with the Act.

79 **14. DUAL REPRESENTATION.** By checking "yes" and writing its initials below, Buyer acknowledges and agrees that Buyer's
80 Designated Agent ("*Licensee*") may undertake a dual representation (represent both seller and buyer or landlord and tenant, as the case may
81 be) in connection with any acquisition of Property. Buyer acknowledges and agrees that Buyer has read the following prior to executing this
82 Agreement:

83 Representing more than one party to a transaction presents a conflict of interest since both parties may rely upon the Licensee's
84 advice and the parties' respective interests may be adverse to each other. The Licensee will undertake the representation of more
85 than one party to a transaction only with the written consent of ALL parties to the transaction. Any parties who consent to dual
86 representation expressly agree that any agreement between the parties as to any terms of the contract, including the final contract
87 price, results from each party negotiating on its own behalf and in its own best interest. Buyer acknowledges and agrees that (a)
88 Broker has explained the implications of dual representation, including the risks involved, and (b) Buyer has been advised to seek
89 independent counsel from its advisors and/or attorneys prior to executing this Agreement or any documents in connection with this
90 Agreement.

91 **WHAT A LICENSEE CAN DO FOR CLIENTS WHEN UNDERTAKING DUAL REPRESENTATION:**

92 1. Treat all clients honestly. 2. Provide information about the property to the purchaser or tenant. 3. Disclose all latent material
93 defects in the property that are known to the Licensee. 4. Disclose the financial qualification of Buyer to the seller or landlord. 5.
94 Explain real estate terms. 6. Help the Buyer arrange for property inspections. 7. Explain closing costs and procedures. 8. Help the
95 Buyer compare financing alternatives. 9. Provide information to seller or Buyer about comparable properties that have sold so both
96 clients may make educated decisions on what price to accept or offer.

97 **WHAT A LICENSEE CANNOT DO FOR CLIENTS WHEN UNDERTAKING DUAL REPRESENTATION:**

98 1. Disclose confidential information that the Licensee may know about either client without that client's express consent. 2.
99 Disclose the price the seller or landlord will take other than the listing price without the express consent of the seller or landlord.
100 3. Disclose the price the purchaser or tenant is willing to pay without the express consent of the purchaser or tenant. 4.
101 Recommend or suggest a price the Buyer should offer. 5. Recommend or suggest a price the seller or landlord should counter with
102 or accept.

103 Buyer acknowledges having read these provisions regarding the issue of dual representation. Buyer is not required to accept this Paragraph
104 14 unless Buyer wants to allow the Licensee to proceed as a dual agent ("*Dual Agent*") in this transaction. By checking "yes", initialing
105 below, and signing this Agreement, Buyer acknowledges that it has read and understands this Paragraph 14 and voluntarily consents to the
106 Licensee acting as a Dual Agent (that is, to represent BOTH the seller and purchaser or landlord and tenant, as the case may be) should it
107 become necessary. (**check one**) Yes No _____ (*Buyer initials*) _____ (*Buyer initials*).

108 **15. NONDISCRIMINATION. BROKER, ITS AGENTS AND EMPLOYEES AND BUYER'S DESIGNATED AGENT SHALL**
109 **NOT ACT IN ANY WAY TO INDUCE OR DISCOURAGE BUYER FROM ACQUIRING A PARTICULAR PROPERTY BASED ON**
110 **THE RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, ANCESTRY, AGE, MARITAL STATUS, PHYSICAL OR MENTAL**
111 **HANDICAP OR FAMILIAL STATUS (OR ANY OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN**
112 **RIGHTS ACT) OF THE SELLER AND/OR BUYER. THE PARTIES TO THIS AGREEMENT AGREE TO COMPLY WITH ALL**
113 **APPLICABLE FEDERAL, STATE AND LOCAL FAIR HOUSING LAWS.**

Buyer Initials: _____ Buyer Initials: _____

Broker Initials: _____ Broker Initials: _____

114 **16. MISCELLANEOUS PROVISIONS.**

- 115 A. Amendments. No amendment or alteration of this Agreement shall be valid or binding unless made in writing and signed by
- 116 the Broker, Buyer's Designated Agent and Buyer.
- 117 B. Gender Neutral. Where applicable in this Agreement, the singular form of any word shall include the plural and the
- 118 masculine form shall include the feminine and neuter, and vice versa.
- 119 C. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators,
- 120 successors and assigns of the parties.
- 121 D. Days. Any reference in this Agreement to "day" or "days" shall mean business days, not calendar days, including Monday,
- 122 Tuesday, Wednesday, Thursday, and Friday, and excluding all official federal and state holidays.

123 **BUYER INFORMATION:**

124 Buyer's Signature: _____

125 Buyer's Signature: _____

126 Date: _____

127 Buyer's Name (print): _____

128 Address: _____

129 City: _____ State: _____ Zip: _____

130 Office Phone: _____

131 Home Phone: _____

132 Cell Phone: _____

133 Fax: _____

134 Buyer's Name (print): _____

135 Address: _____

136 City: _____ State: _____ Zip: _____

137 Office Phone: _____

138 Home Phone: _____

139 Cell Phone: _____

140 Fax: _____

141 Email Address: _____

BROKER INFORMATION:

Managing Broker's Signature: _____

Date: _____ (*Effective Date*)

Brokerage Company Name (print): _____

Office Address: _____

City: _____ State: _____ Zip: _____

Office Phone: _____

Office MLS Identification Number: _____

Office Fax Number: _____

Email Address: _____

Designated Agent Name (print): _____

Designated Agent MLS Identification Number: _____

Office Address: _____

City: _____ State: _____ Zip: _____

Agent Direct Line: _____

Agent Cell Phone: _____

Agent Fax Number: _____

Agent Email Address: _____

Buyer Initials: _____ Buyer Initials: _____

Broker Initials: _____ Broker Initials: _____