



EXCLUSIVE BUYER BROKERAGE CONTRACT

(For Use By Members of the Newfoundland and Labrador Association of REALTORS® Inc. Only)
(For the Purpose of this Agreement, Buyer includes Buyer, Lessee or Exchange)

This is an Exclusive Buyer Brokerage Agreement

BETWEEN:

BROKER: \_\_\_\_\_ Tel. No. \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_ Fax No. \_\_\_\_\_

hereinafter referred to as the Broker.

AND:

BUYER(S) \_\_\_\_\_, hereinafter referred to as the Buyer

ADDRESS: \_\_\_\_\_

In consideration for the Broker assisting the Buyer to purchase a \_\_\_\_\_ in the Market Area(s) described as:

the Buyer hereby gives the Broker the exclusive and irrevocable authority to act as the agent for the Buyer on the following terms:

1. TERMS OF AGREEMENT

The term of this Agreement shall commence on \_\_\_\_ / \_\_\_\_ / 20\_\_ (DD/MM/YEAR) and, unless renewed in writing, shall expire at 11:59pm on \_\_\_\_ / \_\_\_\_ / 20\_\_ (DD/MM/YEAR). (Buyer's initials \_\_\_\_/\_\_\_\_)

2. THE BROKER AGREES:

- (a) to use best efforts to seek out and advise the Buyer, in a timely manner, of properties available for sale in the Market Area, including those listed with the Multiple Listing Service®, other agents and those "for sale by owner", which meet the material requirements identified by the Buyer and generally promote the Buyer's interests;
(b) to advise any seller in whose Property the Buyer is interested or their agent(s) that the Broker is representing the Buyer;
(c) subject to the terms of the agreement related to Dual Agency and representation of other buyers, to act as only the Buyer's Broker;
(d) subject to the terms of the agreement related to Dual Agency and representation of other buyers, be loyal to the Buyer and act in the Buyer's best interests at all times;
(e) make timely and full disclosure of all conflicts of interest that may arise between the Buyer's interests and those of the Broker, sellers or competing buyers;
(f) to obey all lawful instructions of the Buyer;
(g) exercise reasonable care and skill in the performance of this Agreement;
(h) exercise duties of good faith, integrity, honesty, competence and accountability and, except where Dual Agency has been acknowledged, confidentiality and disclosure to the Buyer;
(i) to use best efforts to determine relevant facts pertaining to a Property in which the Buyer is considering making an offer and to disclose those relevant facts to the Buyer;
(j) not to appoint another brokerage to act on behalf of the Buyer as sub agent without the prior written consent of the Buyer;
(k) to present, in a timely manner, all offers and counter-offers to and from the Buyer, even when a property is already the subject of an agreement of purchase and sale;
(l) to keep the Buyer fully informed regarding the progress of the transaction;
(m) to assist the Buyer in negotiating favourable terms and conditions and in preparing a legally binding agreement of purchase and sale;
(n) to comply with all relevant provisions of the Real Estate Trading Act and regulations enacted there under;

Acknowledgement of completion of Page 1

Broker or Broker's Representative \_\_\_\_\_ / \_\_\_\_\_

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_



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(o) to perform further services, which may be, if agreed to in writing, at the expense of the Buyer, which may include (check all that apply):

- Advertise for suitable properties
Assisting in arranging suitable financing, if necessary
Assisting in arranging Appraisals for the Property
Assisting in arranging property inspections and other expert services as required
Other (must be specified in detail on attached schedule:

3. THE BUYER ACKNOWLEDGES AND AGREES:

- (a) to advise the Broker of all properties within the Market Area in which the Buyer is interested and of all inquiries by, and all offers to sell from, interested sellers or their representatives received by the Buyer;
(b) to submit all offers to purchase, lease or exchange a Property within the Market Area through the Broker;
(c) to provide the Broker with sufficient information to determine the Buyer's requirements and the ability to purchase or to obtain a mortgage of a property. The Buyer is advised to seek a financing pre-approval;
(d) to negotiate in good faith the purchase of Property in which the Buyer is interested;
(e) that the Broker may disclose the Buyer's identity unless otherwise instructed by the Buyer in writing;
(f) that any information supplied by the seller or the seller's agent is not warranted by the Broker as being accurate. The Broker has a limited knowledge of the physical condition of a property and the Buyer is urged to have a property inspection at the Buyer's expense;
(g) the Broker will not be obligated to seek additional properties of interest to the Buyer once the Buyer is a party to a Firm Agreement of Purchase and Sale for a property;
(h) it is not a conflict or breach of duty to the Buyer for the Broker to show or introduce property in which the Buyer is interested to other buyers, or to have agency relationships with other buyers, unless previously stipulated. In the event that the Broker is representing more than one buyer on the same Property, he shall disclose this fact to each buyer and shall not use the information contained in another offer to put either buyer at a competitive advantage;
(i) Subject to the terms of this Agreement relating to Dual Agency, it is not a conflict or breach of duty to the Buyer for the Broker to have agency relationships with the seller and the Broker;
(j) The Buyer hereby warrants that the Buyer is not a party to a Buyer Brokerage Agreement or other buyer representation agreement with any other registered real estate brokerage for the purchase or lease of Property. (Buyer's Initials \_\_\_\_/\_\_\_\_)

4. COLLECTION, USE AND DISCLOSURE OF INFORMATION

The Buyer hereby consents to the collection, use and disclosure by the Broker and the Newfoundland and Labrador Association of REALTORS®, of information:

- (a) for all purposes related to the provision of real estate services by the Broker to the Buyer including but not limited to:
i. locating, assessing and qualifying properties for the Buyer;
ii. advertising on behalf of the Buyer; and
iii. providing information to third parties including but not limited to lawyers and notaries public, financial institutions, government departments and agencies and building inspectors;
(b) for the purpose of placement in the database of a Multiple Listing Service® of the Newfoundland and Labrador Association of REALTORS®, if the property purchased by the Buyer is listed on such Multiple Listing Service®;
(c) for compilation, retention and publication by Newfoundland and Labrador Association of REALTORS® of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of Newfoundland and Labrador Association of REALTORS®;
(d) for retention and disclosure by the Broker and any listing service for reporting, appraisal and statistical purposes;
(e) for enforcing codes of professional conduct and ethics for members of the Newfoundland and Labrador Association of Realtors®;
(f) for such other purposes as are appropriate in connection with the listing, marketing and selling of real estate; and
(g) for all other purposes authorized in this Agreement.

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Broker or Broker's Representative \_\_\_\_/\_\_\_\_

Buyer's Initials \_\_\_\_/\_\_\_\_



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5. BROKER REMUNERATION

5.1 Remuneration:

- (a) The Buyer shall pay the Broker as Remuneration:
(i) \_\_\_percent of the purchase price (PLUS applicable HST and any other taxes payable) OR
(ii) a flat fee of \$\_\_\_ (PLUS applicable HST and any other taxes payable) OR
(iii) a fee for services as specified in writing, signed by the Buyer, in the Addendum attached to this Agreement (PLUS applicable HST and any other taxes payable):
(b) Such Remuneration shall be payable if:
(i) during the term of this Agreement, a legally enforceable Agreement of Purchase and Sale, from whatever source obtained, is entered into between the Buyer and a seller (other than a seller or a property that has been specifically excluded in writing from this Agreement) AND the purchase is completed OR the Buyer, without legal justification, fails to complete the sale; OR
(ii) within 120 days (the Hold-Over Period) of the expiration of this Agreement, a legally enforceable Agreement of Purchase and Sale is entered into between the Buyer and a seller (other than a seller or a property that has been specifically excluded in writing from this Agreement) whose property was introduced to the Buyer during the term of this Agreement, by whatever means or person and whether or not the Broker is the effective cause of such Agreement of Purchase and Sale AND the purchase is completed OR the Buyer, without legal justification, fails to complete the purchase,

PROVIDED that under clause 5.1(b)(ii) above if, on the expiration of this Agreement, the Buyer enters into an exclusive Buyer Brokerage Agreement with another brokerage for the payment of a remuneration or fee, the Buyer's liability to the Broker will be reduced by the amount paid by the Buyer under the subsequent exclusive Buyer Brokerage Agreement.

- (c) The Remuneration shall be paid immediately upon completion of the purchase or in the event the Buyer fails to complete the purchase, within seven (7) days of demand by the Broker.
(d) The Broker will disclose to the Buyer any additional remuneration, other than that described in Clause 5(a), to be received by the Broker in respect of that property.
(e) The Buyer understands that if the Broker is not paid by a listing brokerage or by the seller, the Buyer shall pay the Broker the full amount of Remuneration indicated above. (Buyer's initials \_\_\_/\_\_\_)

5.2 Source of Remuneration:

- (a) The Buyer authorizes the Broker to request payment of the Remuneration specified in clause 5.1, or part thereof, from:
(i) the brokerage representing the seller (Yes or No); \_\_\_
(ii) the seller, where the seller has not listed the property with a brokerage. (Yes or No) \_\_\_
(b) Where the amount received by the Broker pursuant to 5.2(a) is:
(i) less than the Remuneration specified in clause 5.1, the Buyer shall pay to the Broker the outstanding balance;
(ii) more than the Remuneration specified in clause 5.1, the Broker will shall pay to the Buyer the excess balance.
(c) Prior to the Buyer making an offer to purchase a property, the Broker will advise the Buyer of the total amount of remuneration offered by the seller or the seller's agent to be paid to the Broker for assisting in obtaining a buyer for that property. It is the Buyer's obligation to advise his/her Lender of these amounts as may be required by his/her Lender.

6. DUAL AGENCY

The Buyer acknowledges having been informed that the Broker, besides offering representation to Buyers, also offers Agency representation to sellers. The Buyer agrees that the Broker may also act as agent for the seller of a property in which the Buyer is interested in which case:

- (a) The Broker shall disclose to the Buyer their agency relationship with the seller prior to showing such seller's property to the Buyer.
(b) The duties of the Broker to the Buyer will be modified as set forth in the Acknowledgement of Dual Agency Form of the Newfoundland and Labrador Association of REALTORS® Inc., which the Buyer acknowledges having read and understood and which the Buyer will sign if an offer is to be made on any property listed with the Broker.

Acknowledgement of completion of Page 3

Broker or Broker's Representative \_\_\_/\_\_\_

Buyer's Initials \_\_\_/\_\_\_



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7. INDEMNIFICATION:

The Broker and representatives of the Broker are trained in dealing in real estate but are not qualified in determining the physical condition of the land or any improvements thereon. The Buyer agrees that the Broker will not be liable for any defects, whether latent or patent, to the land or improvements thereon. All information supplied by the seller or landlord or the listing brokerage may not have been verified and is not warranted by the Broker as being accurate and will be relied on by the Buyer at the Buyer's own risk. The Buyer acknowledges having been advised to make his/her own enquiries to confirm the condition of the property.

8. TERMINATION OF THIS AGREEMENT

Without prejudice to the acquired rights of the Buyer or the Broker, this Agreement will terminate:

- (a) on the expiration of the term of this Agreement as specified in clause 1;
(b) on an earlier date than that specified in clause 1 if mutually agreed to by the Buyer and the Broker in writing;
(c) on a completed purchase of a Property prior to the expiration of the term of this Agreement;
(d) on the suspension or cancellation of the Broker's license to trade in real estate; and
(e) on the bankruptcy or insolvency of the Broker or if it is in receivership.

9. MISCELLANEOUS PROVISIONS

- (a) "Sale" includes an exchange or lease and "purchase price" includes the value of property exchanged;
(b) "Property" includes, but is not limited to: real property, a leasehold interest, a manufactured home, a movable dwelling that is designed for use as a permanent residence, a time share agreement with regard to real or leasehold property; an interest, partnership or share in a business and the goodwill and assets of it;
(c) "Term" or "date of expiration" of this Agreement includes the period or date of expiration of any written extension;
(d) "Firm Agreement of Purchase and Sale" means an Agreement for the purchase, exchange or lease of property for which conditions pertaining to financing, inspection and the obtaining of permits have been satisfied;
(e) Interpretation of this Agreement and all matters concerning its enforcement by the parties shall be governed by the laws of the Province of Newfoundland and Labrador and the Real Estate Trading Act; and
(f) The parties acknowledge that this Agreement fully sets out the terms of the agreement between them.

10. AGREEMENT

- (a) By signing, the Buyer acknowledges having read and understood the terms of this Agreement; and
(b) Where the Buyer is comprised of more than one party, the obligations under this Agreement shall be joint and several to all parties.

THE BROKER AGREES TO REPRESENT THE BUYER IN LOCATING PROPERTY ON THE TERMS AND CONDITIONS SET OUT ABOVE.

\_\_\_\_ Date \_\_\_\_\_
(Authorized to bind the Broker) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL AND HAVE RECEIVED A TRUE COPY OF THIS AGREEMENT. Any representations contained herein are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

\_\_\_\_ Date \_\_\_\_\_ (Telephone Number)
(Signature of Buyer)

\_\_\_\_ Date \_\_\_\_\_ (Telephone Number)
(Signature of Buyer)

Acknowledgement of completion of Page 4

Broker or Broker's Representative \_\_\_\_\_ / \_\_\_\_\_

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_