

Exclusive Buyer Agency Employment Agreement

State of North Carolina, County of Mecklenburg

Date _____

_____ (“Buyer”), hereby employs Carolina Buyer's Agent as Buyer's exclusive agent (Agent”) to represent only the Buyer in locating and evaluating properties, handling negotiations, and managing the closing process on a purchase, option, and/or exchange on terms and conditions acceptable to Buyer.

Buyer represents that, as of the commencement date of this Agreement, the Buyer is not a party to a buyer representation agreement with any other Agent. Buyer further represents that Buyer has disclosed to Agent information about any properties described below that Buyer has visited at any open houses or that Buyer has been shown by any other real estate agent.

1. **Type of property:** Residential Commercial Vacant Land Other _____
General Location _____

2. **Effect of Agreement:** Buyer intends to acquire real property of the type described in paragraph 1. Buyer may change the criteria of property described in paragraph 1, and this agreement will be deemed to apply to any real property purchased by Buyer. By employing Agent as Buyer's exclusive Agent, Buyer agrees to conduct all negotiations and inquiries on any such property including for-sale-by-owner properties, through Agent and to refer to Agent all inquiries received in any form from other agents, salespersons, prospective sellers or any other source. Buyer agrees to be available for reasonable periods of time to examine properties, and to pay for all products an/or services required in the examination and evaluation of properties. (Examples: surveys, water/soil tests, title reports, inspections, etc.) Buyer agrees to get a written pre-approval letter from a NC mortgage lender on or before _____.

3. **Duration of Agency:** Agent's authority as Buyer's exclusive Agent shall start on _____ and expire at midnight, _____. The term of this agreement will be automatically extended beyond the expiration date unless cancelled by either party prior the expiration date above in accordance with the terms in the 24 Hour Easy Exit Pledge below.

4. **The 24 Hour Easy Exit Pledge:** We are working as a team. If Buyer is not completely satisfied with our services, both parties agree to discuss the situation to determine the reason Buyer is dissatisfied, and work together over a period of three additional business days to resolve Buyer's concerns. At the end of this period, if Buyer's concerns have not been resolved to Buyer's satisfaction, then Carolina Buyer's Agent will refer Buyer to the Agent of their choice with 24 hours notice in writing from Buyer. Buyer understands that in this event, Carolina Buyer's Agent would be requesting a referral fee from the Agent Buyer chooses, and Buyer would not be responsible for any portion of the referral fee amount requested from Agent by Carolina Buyer's Agent.

5. **Compensation of Agent:** In consideration of the services provided to Buyer, Buyer agrees to compensate Agent as follows:
(a) Buyer authorizes the Agent to receive the compensation listed below, including any bonus offered, from the Seller and/or the Seller's Agent, and that amount shall satisfy Buyer's obligation to compensate Agent. Should the compensation obtained from Seller's Agent (including any bonus) be greater than 3% of purchase price for improved property, or greater than 5% of purchase price for unimproved land, Agent shall credit the buyer the difference at closing.

Improved Property/New Construction: 3% of purchase price OR Buyer Agency Commission offered, plus any bonus.

Unimproved Land: 5% of purchase price. FSBO: 3% of purchase price. Other: _____

(b) Compensation shall be deemed earned when Buyer or any person/legal entity acting on behalf of Buyer directly or indirectly enters into an agreement to purchase option and/or exchange any property during the term of this agreement. Compensation will be due and payable at closing.

(c) In addition, compensation shall be due from buyer if within 180 days after expiration or cancellation of this agreement, Buyer enters into a contract to purchase a property that Buyer was informed of during the term of this agreement regardless of the manner in which the Buyer was informed of the property.

6. **Disclosure of Buyer's Identity:** Unless otherwise stated, Agent has Buyer's permission to disclose Buyer's identity.

7. **Other Potential Buyers:** Buyer understands that Agent may represent other buyers who may seek to purchase the same or similar property as Buyer seeks to purchase. In the event Agent represents more than one buyer interested in the same property, Agent will negotiate an offer to conclusion on behalf of the first buyer who asks Agent to submit an offer.

8. **Non-Discrimination:** The Agent shall conduct all brokerage activities in regard to this Agreement without respect to the race, color, religion, sex, national origin, handicap or familial status of any buyer or seller.

9. **Other Professional Advice:** In addition to the services rendered to Buyer by the Agent under the terms of this Agreement, Buyer is advised to seek other professional advice in matters of law, taxation, financing, surveying, wood-destroying insect infestation, structural soundness, engineering, and other matters pertaining to any proposed transaction. Unless Buyer specifies otherwise in writing, Buyer authorizes Agent to order additional services required by the Offer to Purchase and Contract on buyer's behalf.

10. **Signs/Photos:** Buyer agrees to allow agent to place a sign promoting the savings on the property purchased for a period of thirty days from the date of closing. Buyer agrees to allow agent to take photos of the exterior of property for promotional purposes.

11. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties. No modification of any of the terms of this Agreement shall be valid, binding upon the parties, or entitled to enforcement unless such modification has first been reduced to writing and signed by the parties.

12. **Additional Provisions:** _____

Note: By signing, the agent named below and I each acknowledge receipt of a signed copy of this Exclusive Buyer Agency Agreement, and that the agent gave me a copy of the agency brochure information on the reverse side and reviewed it with me.

Buyer: _____ Date: _____

Buyer: _____ Date: _____

Mailing Address: _____

Phone: Home: _____ Work: _____ Cell: _____

By: _____ Date: _____ Phone: _____ Lic: _____

Carolina Buyer's Agent 1809 E. Barden Rd. Charlotte, NC 28226 Phone: 704-366-0542 Fax: 704-366-2975

WORKING WITH REAL ESTATE AGENTS

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is working for you as **your** agent or simply working **with** you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

SELLERS

Seller's Agent

If you are selling real estate, you may want to "list" your property for sale with a real estate firm. If so, you will sign a "listing agreement" authorizing the firm and its agents to represent you in your dealings with buyers as your *seller's agent*. You may also be asked to allow agents from other firms to help find a buyer for your property. Be sure to read and understand the listing agreement before you sign it.

Duties to Seller The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission. **But until you sign the listing agreement you should avoid telling the listing agent anything you would not want a buyer to know.**

Services and Compensation: To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

Dual Agent

You may even permit the listing firm and its agents to represent you **and** a buyer at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as a *buyer's agent* with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to sign a separate agreement or document permitting the agent to act as agent for both you and the buyer.

It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction.

BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a buyer's agent). You may be willing for them to represent both you and the seller at the same time (as a dual agent). Or you may agree to let them represent only the seller (seller's agent or subagent). Some agents will offer you a choice of these services. Others may not.

Buyer's Agent

Duties to Buyer: If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your *buyer's agent*, they may not give any confidential information about you to sellers or their agents without your permission. **But until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.**

Unwritten Agreements To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as a *buyers' agent* without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential. Furthermore, if you later purchase the property through an agent with another firm, the agent who first showed you the property may seek compensation from the other firm. Be sure to read and understand any agency agreement before you sign it.

Services and Compensation: Whether you have a written or unwritten agreement, a *buyer's agent* will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have a **written** agency agreement, the agent can also help you prepare and submit a written offer to the seller. A *buyer's agent* can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your *buyer's agent* is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

Dual Agent

You may permit an agent or firm to represent you and the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your *buyer's agent* or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your *buyer's agent* will ask you to sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging certain confidential information about them to the other party. Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a *dual agent's* loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

Seller's Agent Working With a Buyer

If the real estate agent or firm that you contact does not offer *buyer agency* or you do not want them to act as your *buyer's agent*, you can still work with the firm and its agents. However, they will be acting as the *seller's agent* (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a *buyer's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller - not you - and therefore must try to obtain for the seller the best possible price and terms for the seller's property. Furthermore, a *seller's agent* is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you in *writing* if they are *sellers' agents* before you say anything that can help the seller. **But until you are sure that an agent is not a seller's agent, you should avoid saying anything you do not want a seller to know.** *Sellers' agents* are compensated by the sellers.

This is not a contract

By signing, I acknowledge that the agent named below furnished a copy of this brochure and reviewed it with me.

Buyer or Seller Name (Print or Type) _____ Buyer or Seller Signature _____

Buyer or Seller Name (Print or Type) _____ Buyer or Seller Signature _____

Date _____ Firm Name _____ Agent Name _____

Disclosure of Seller Subagency

When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the **SELLER**. For more information, see "Seller's Agent Working with a Buyer" in the brochure.

Buyer's Initials Acknowledging Disclosures _____ Agents must retain this acknowledgment for their files.