

BUYER REPRESENTATION AGREEMENT

Form 507

1 **Buyer 1** _____, **Buyer 2** _____
2 Hereinafter "Buyer"

3 **Hereby Elects**
4 (Brokerage) _____ "Broker"
5 (collectively "parties") as their exclusive representative for the acquisition of real property.

6 **REPRESENTATION PERIOD:** shall begin and end on the period below.
7 Period cannot exceed three months.

8 **START DATE:** _____ to **END DATE** _____

9 **For Real Property Located in any of the following:**

10 **City or Cities** _____

11 **County or Counties** _____

12 **Specifically** _____

13 **Notice: The amount or rate of real estate compensation is not fixed by law. They are set by each**
14 **broker individually and may be negotiable between the buyer and broker.**

15 **COMPENSATION for such broker representation shall be (choose one):**

16 (1) _____% of the sales price.

17 OR

18 (2) A flat fee of \$ _____.

19 OR

20 (3) _____% of the sales price AND a flat fee of \$ _____.

21 OR

22 (4) _____

23 **ADDITIONAL TERMS** _____

24 _____

25 _____

26 **REPRESENTATION PERIOD:** Buyer hereby agrees to enter into an exclusive relationship with the
27 Broker that shall begin upon execution of this form and end no later than three (3) months from the date
28 of execution. This agreement cannot automatically renew. Any renewal must be in writing, dated, and
29 signed by both parties, with a maximum term of three (3) months per renewal. If an active transaction
30 initiated during the representation period extends beyond the expiration date, the terms of this
31 agreement shall remain in full force and effect until the transaction is successfully completed.

32 **EXECUTION:** This agreement must be executed by both parties as soon as practicable, but no later
33 than the execution of the Buyer's offer to purchase real property

34 **COMPENSATION TERMS:** Compensation is due to Broker upon the successful completion of a
35 purchase transaction defined as the buyer being recorded as the new owner of record.

Buyer Initials [_____] [_____]

Broker Initials [_____] [_____]

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Any compensation paid to the Broker from the seller or any other party related to the transaction shall be deducted from the amount due from the buyer as stipulated in this agreement. Buyer is

obligated to the compensate Broker upon successful completion of any transaction that begins during the representation period or subject to the terms of this agreement, notwithstanding whether the broker participated.

BROKER DUTY: Broker agrees to provide services including but not limited to: assisting Buyer in identifying suitable properties; scheduling and attending property showings; advising Buyer on market conditions; preparing and submitting offers.

DISCLOSURE FORM: Prior to the execution of this agreement, the Broker shall provide Buyer with the disclosure form required under California Civil Code Section 2079.14, as applicable.

TERMINATION: This agreement may be terminated prior to the expiration date by mutual written consent or for cause, which includes failure of either party to fulfill their obligations under this agreement.

PROTECTION PERIOD: If the Buyer completes a transaction on any property in which the Broker conducted broker duties during the representation period, including but not limited to showing the property, preparing offers, or facilitating communication with the seller or seller’s agent, within 30 (or _____) days following the expiration or early termination of this agreement, the terms of this agreement shall extend for the duration of such transaction, and compensation shall be due to the Broker upon its successful completion. Within five (5) days of expiration or early termination, the Broker shall furnish the Buyer with a written list of properties where broker duties were performed during the representation period.

DISPUTE RESOLUTION

The venue for any disputes relating to or arising from the contract will be in the county where the property is located or in another location agreed upon by the parties.

When a legal action arises from the agreement the prevailing party shall be awarded reasonable attorney fees and court costs from the non-prevailing party.

MEDIATION: If a dispute arises from this agreement and parties are unable to resolve their dispute then both parties agree to seek mediation prior to filing a lawsuit or seeking a legal action against each other. The mediator should be a neutral third-party that is mutually agreed upon and chosen between both parties. If either party initiates a lawsuit without attending mediation, then that party shall not be entitled to recovering attorney fees and court costs, even when otherwise entitled.

Parties agree to first seek mediation as a resolution for any disputes or potential legal claims against broker(s), provided that broker(s) also agree, in writing, to attend mediation.

Buyer Initials [] []

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Broker Initials [] []



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ARBITRATION: If both parties attend mediation and are unsuccessful in reaching a mutually agreeable resolution, then both parties agree to attend legally binding arbitration. The arbitrator shall be mutually agreed upon by both parties and be experienced in residential real estate law and shall include a written record of the arbitration hearing. The arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. An award of arbitration may be confirmed in a court of competent jurisdiction. **Both parties must initial inside this box in order to elect this arbitration clause.** By initialing the spaces provided both parties agree to attend arbitration if mediation is not successful. If both parties elect this arbitration clause and one party initiates a lawsuit without attending arbitration, then that party shall not be entitled to recovering attorney fees and court costs, even when otherwise entitled.

INITIAL HERE: Buyer Initials () () Broker Initials () ()

Buyer(s) understand(s) and agree(s) to the compensation terms and acknowledge(s) receipt of this document.

Buyer 1 _____
Print Name Signature Date

Address _____

Telephone _____ Email _____

Buyer 2 _____
Print Name Signature Date

Address _____

Telephone _____ Email _____

BROKER

Brokerage Name _____ Lic.# _____

Print Agent Name Agent Signature Date Lic.#

Address _____

Telephone _____ Email _____



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP
(As required by the Civil Code)
Form 101(CA)

2079.13 the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3 , or recreational vehicles, as defined in Section 799.29 . (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller. (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code . (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction. **2079.14** Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16 , and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from that seller or buyer, except as provided in this section or Section 2079.15 , as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgment of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgment of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer. **2079.15** In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal. **2079.16** Page 1 of this form. **2079.17** (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller. The confirmation required by subdivisions (a) and (b) shall be in the following form:
_____ (name of listing agent) is the agent of (check one) [] the seller exclusively; or [] both the buyer and seller.
_____ (name of selling agent) is the agent of (check one) [] the buyer exclusively; or [] the seller exclusively; or [] both the buyer and seller.
d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. **2079.18** No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction. **2079.19** The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship. **2079.20** Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with. **2079.21** A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price. **2079.22** Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent. **2079.23** (a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship. (b) A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable. **2079.24** Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

