

ILLINOIS REALTORS®
**EXCLUSIVE BUYER
REPRESENTATION
CONTRACT**



(DUAL AGENCY DISCLOSURE AND CONSENT INCLUDED)

Buyer agrees to work with _____ (Brokerage Company) and Brokerage Company designates the licensee below affiliated with Brokerage Company to act as an agent for Buyer for the purpose of identifying and negotiating to acquire real estate for _____ (“Buyer”).

The term “acquisition” or “acquire” includes the purchase, lease, exchange, or option of real estate by Buyer or anyone acting on Buyer’s behalf. By working with Brokerage Company, Buyer agrees that the following will govern the terms of their relationship:

1. DESIGNATED AGENT

Brokerage Company designates and Buyer accepts _____ (“Buyer’s Designated Agent”) as the legal agent(s) of Buyer for the purpose of representing Buyer in the acquisition of real estate by Buyer. Brokerage Company shall have the discretion to appoint an additional designated agent(s) for Buyer as Brokerage Company determines necessary. Buyer shall be advised within a reasonable time of any such appointment.

2. EXCLUSIVE REPRESENTATION

Buyer understands that this exclusive right to represent Buyer (Exclusive Representation) means that if Buyer makes an acquisition of property, whether through the efforts of Brokerage Company and their agents or through the efforts of another real estate office or agent, Buyer will be obligated to compensate Brokerage Company pursuant to Section 5 of this Contract. This Exclusive Agency shall be effective for the following area:
_____.

The term “acquisition” shall include the purchase, lease, exchange or option of real estate.

Buyer reserves the right to acquire on Buyer’s own without assistance of the Brokerage Company or any other broker.

3. DURATION (Check One)

- This Contract shall be effective until 11:59 p.m. on _____, 20____, when it shall automatically terminate. This Contract may be terminated prior to the termination date only by written agreement of the parties. If this termination date exceeds one year from the date of execution, Buyer shall have the right to terminate each year thereafter by giving at least 30 days’ written notice to terminate prior to the expiration date.
- This Contract shall automatically renew on _____, 20____, and on _____ of each succeeding year (each date to be known as “Renewal Date”) unless Buyer provides Brokerage Company written notice of Buyer’s intention to not renew this contract no more than thirty (30) days and no less than _____ (____) days prior to the Renewal Date.



4. DUTIES:

Buyer's Designated Agent will:

- (a) Use Buyer's Designated Agent's best efforts to identify properties listed in the multiple listing service or other resources specifically requested by Buyer that meet Buyer's specifications relating to location, price, features and amenities.

- List here any sources for properties other than the multiple listing service Buyer would like Buyer's Designated Agent to research:

- (b) Arrange for touring of properties identified by Buyer as potentially appropriate for acquisition.
- (c) Advise Buyer about the pricing of comparable properties.
- (d) Assist Buyer in the negotiation of a contract acceptable to Buyer for the acquisition of property.
- (e) Provide reasonable safeguards for confidential information that Buyer discloses to Buyer's Designated Agent.
- (f) Other services: _____

Brokerage Company will:

- (a) Provide through Buyer's Designated Agent, along with searching for acceptable properties, those minimum brokerage services required by the Illinois Real Estate License Act:
 - (1) Accepting and presenting offers and counteroffers.
 - (2) Assisting Buyer in the preparation of offers, counteroffers, etc., and
 - (3) Answering Buyer's questions related to negotiations in a real estate transaction.
- (b) Provide Buyer's Designated Agent with assistance and advice as necessary in Buyer's Designated Agent's work on Buyer's behalf.
- (c) Make the managing broker affiliated with Brokerage Company, or designated representative, available to consult with Buyer's Designated Agent about Buyer's negotiations for the acquisition of real estate, who will maintain the confidence of Buyer's confidential information.
- (d) Make other licensees affiliated with Brokerage Company aware of Buyer's general specifications for real property.
- (e) As needed, designate one or more licensees as Designated Agent(s) of Buyer.

Buyer will:

- (a) Work exclusively with Buyer's Designated Agent to identify and acquire real estate during the time that this Contract is in force.
- (b) Notify Buyer's Designated Agent of any property that is **listed for sale with a broker** that Buyer wishes to tour.
- (c) Supply relevant financial information that may be necessary to permit Buyer's Designated Agent to fulfill Agent's obligations and Buyer's contractual obligations.
- (d) Be available upon reasonable notice and at reasonable hours to tour properties that seem to meet Buyer's specifications.
- (e) Pay Brokerage Company according to the terms specified in Section 5 of this Contract.

5. COMPENSATION FOR SERVICES

DISCLOSURE: BROKERAGE COMPANY’S COMPENSATION IS NOT SET BY LAW AND IS FULLY NEGOTIABLE.

Select One

- Buyer agrees to pay Brokerage Company, a flat fee of \$_____ as compensation for services provided to Buyer in Buyer’s acquisition of real estate.
- Buyer agrees to pay Brokerage Company _____% of the purchase price as compensation for services provided to Buyer in Buyer’s acquisition of real estate.
- Buyer agrees to pay Brokerage Company (describe here in objectively ascertainable terms)

This section applies if Buyer enters into a contract to acquire real estate during the term of this agreement, and such contract results in a closed transaction. Any modifications to this section, including the compensation to be paid to Brokerage Company, can be accomplished by written agreement of the parties.

Brokerage Company may not receive compensation from any source that exceeds the amount or rate agreed to with Buyer.

Protection Period: If within _____ days after the termination of this Contract Buyer acquires any property to which Buyer was introduced by Buyer’s Designated Agent, then Buyer agrees to pay Brokerage Company the compensation provided for in this Section. However, no compensation will be due to Brokerage Company if, during this protection period, Buyer enters into a separate exclusive buyer representation agreement with another broker.

6. REPRESENTING OTHER BUYERS

Buyer understands that Buyer’s Designated Agent has no duty to represent only Buyer, and that Buyer’s Designated Agent may represent other prospective buyers who may be interested in acquiring the same property or properties that Buyer is interested in acquiring, subject to the Illinois Real Estate License Act regarding contemporaneous offers.

7. DISCLOSURE AND CONSENT TO DUAL AGENCY (LIMITATION OF AGENT’S ROLE)

NOTE TO CONSUMER: THIS SECTION SERVES THREE PURPOSES. FIRST, IT DISCLOSES THAT A REAL ESTATE LICENSEE MAY POTENTIALLY ACT AS A DUAL AGENT, THAT IS, REPRESENT MORE THAN ONE PARTY TO THE TRANSACTION. SECOND, THIS SECTION EXPLAINS THE CONCEPT OF DUAL AGENCY. THIRD, THIS SECTION SEEKS YOUR CONSENT TO ALLOW THE REAL ESTATE LICENSEE TO ACT AS A DUAL AGENT. A LICENSEE MAY LEGALLY ACT AS A DUAL AGENT ONLY WITH YOUR CONSENT. BY CHOOSING TO SIGN THIS SECTION, YOU ARE CONSENTING TO DUAL AGENCY REPRESENTATION.

The undersigned, _____, (“Licensee”/“Buyer’s
(insert name(s) of licensee(s))

Designated Agent”) may undertake a dual representation (represent both the seller or landlord and the buyer or tenant) for the sale or lease of property. The undersigned acknowledge they were informed of the possibility of this type of representation. Before signing this document please read the following:

Representing more than one party to a transaction presents a conflict of interest since both clients may rely upon Licensee's advice and the client's respective interests may be adverse to each other. Licensee will undertake this representation only with the written consent of ALL clients in the transaction.

Any agreement between the clients as to a final contract price and other terms is a result of negotiations between the clients acting in their own best interests and on their own behalf. You acknowledge that Licensee has explained the implications of dual representation, including the risks involved, and understand that you have been advised to seek independent advice from your advisors or attorneys before signing any documents in this transaction.

WHAT A LICENSEE CAN DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT

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

WHAT LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN ACTING AS A DUAL AGENT

1. Confidential information that Licensee may know about a client, without that client's permission.
2. The price or terms the seller or landlord will take other than the listing price without permission of the seller or landlord.
3. The price or terms the buyer or tenant is willing to pay without permission of the buyer or tenant.
4. A recommended or suggested price or terms the buyer or tenant should offer.
5. A recommended or suggested price or terms the seller or landlord should counter with or accept.

If either client is uncomfortable with this disclosure and dual representation, please let Licensee know. You are not required to sign this section unless you want to allow the Licensee to proceed as a Dual Agent in this transaction.

By initialing here and signing below, you acknowledge that you have read and understand this form and voluntarily consent to the Licensee acting as a Dual Agent (that is, to represent BOTH the seller or landlord and the buyer or tenant) should that become necessary.

Buyer's initials

Buyer's initials

Date

8. PREVIOUS REPRESENTATION

Buyer understands that Brokerage Company and/or Designated Agent may have previously represented the seller from whom Buyer wishes to acquire property. During that representation, Brokerage Company and/or Designated Agent may have learned material information about the seller that is considered confidential. Under the law, neither Brokerage Company nor Designated Agent may disclose any such confidential information to Buyer.

9. FAILURE TO CLOSE

If a seller or lessor in an agreement made on behalf of Buyer fails to close such agreement, with no fault on the part of Buyer, the Buyer shall have no obligation to pay the compensation provided for in Section 5. If such transaction fails to close because of any fault on the part of Buyer, such compensation will not be waived, but will be due and payable immediately. In no case shall Brokerage Company or Buyer's Designated Agent be obligated to advance funds for the benefit of Buyer in order to complete a closing.

10. RECOMMEND OTHER PROFESSIONALS

Buyer acknowledges that Brokerage Company and Buyer's Designated Agent are being retained solely as real estate professionals, and not as attorneys, tax advisors, surveyors, structural engineers, home inspectors, environmental consultants, architects, contractors, or other professional service providers. Buyer understands that such other professional service providers are available to render advice or services to Buyer, if desired, at Buyer's expense.

11. COSTS OF THIRD-PARTY SERVICES OR PRODUCTS

Buyer agrees to reimburse Brokerage Company or Buyer's Designated Agent the cost of any products or services such as inspections, surveys, tests, title reports and engineering studies, furnished by outside sources immediately when payment is due.

12. NO ASSIGNMENT BY BUYERS

No assignment of Buyer's interest under this Contract and no assignment of rights in real property obtained for Buyer pursuant to this Contract shall operate to defeat any of Brokerage Company's rights under this exclusive contract.

13. NONDISCRIMINATION

THE PARTIES UNDERSTAND AND AGREE THAT IT IS ILLEGAL FOR EITHER OF THE PARTIES TO REFUSE TO DISPLAY OR SELL SELLER'S PROPERTY TO ANY PERSON ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, ANCESTRY, AGE, ORDER OF PROTECTION STATUS, MARITAL STATUS, PHYSICAL OR MENTAL HANDICAP, MILITARY STATUS, SEXUAL ORIENTATION, GENDER IDENTITY, UNFAVORABLE DISCHARGE FROM MILITARY SERVICE, FAMILIAL STATUS, IMMIGRATION STATUS, SOURCE OF INCOME, OR AN ARREST RECORD OR ANY OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN RIGHTS ACT. THE PARTIES AGREE TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE AND LOCAL FAIR HOUSING LAWS.

14. MODIFICATION OF THIS CONTRACT

No modification of any of the terms of this Contract shall be valid and binding upon the parties or entitled to enforcement unless such modification has first been reduced to writing and signed by the parties.

15. ELECTRONIC SIGNATURES

The parties agree that electronic signatures on this Contract and facsimile or PDF copies of the same shall have the same legal force and effect as original signatures.

16. RECORDINGS WITHIN THE PROPERTY

Prior to photographing, video graphing or video telephoning the property without prior written permission of the seller, Buyer should speak with an attorney.

Also, Buyer should be aware that the seller may have a security system that records or allows for remote monitoring of the property, including recording or broadcasting audio. Sellers may be able to listen to conversations in their properties and Buyer should be aware that any discussions of negotiation strategies held in the property may not be confidential. Buyer hereby releases Brokerage Company, Buyer's Designated Agent and employees from any liability which may result from any recording in the property.

17. WIRE FRAUD WARNING STATEMENT

In order to protect the parties from fraudulent activities involving wire fraud, the parties should always verify requests for wire transfers, double check email addresses for accuracy and confirm with telephone calls to known numbers before initiating an electronic transfer of funds.

18. CONSENT TO CONTACT

Buyer(s) agree(s) that Brokerage Company, and any authorized representative or agent of Brokerage Company, are given express consent to contact the undersigned by telephone calls and/or text messages, facsimile transmission or electronic mail at the following locations, addresses and/or telephone numbers.

Print Name

Telephone Number/E-mail Address

Print Name

Telephone Number/E-mail Address

Facsimile Number(s)

19. ENTIRE AGREEMENT

This Contract constitutes the entire agreement between the parties relating to the subject thereof, and any prior agreements pertaining hereto, whether oral or written have been merged and integrated into this Contract.

This Contract may be executed in multiple copies and signature of Buyer(s) hereon acknowledge(s) that Buyer(s) has(ve) received a signed copy.

Buyer

Accepted by:

Buyer

Brokerage Company

Buyer's Address:

BY: _____

Authorized Signer

Date: _____

Date: _____

CELL PHONE: _____

OFFICE PHONE: _____