

PENNSYLVANIA Exclusive Buyer Agency Contract '05

Name(s) of Buyer(s) _____

Date _____

("Buyer") appoints Prudential Fox & Roach REALTORS® ("Broker") as Buyer's Exclusive Agent for the purpose of assisting Buyer in locating acceptable real property ("Property") for purchase or lease.

1. Broker's Representations and Services. Broker will use its professional knowledge to make a good faith effort to locate Property as described by the Buyer. Broker will assist Buyer throughout the transaction and will act at all times in the Buyer's interest. Buyer will furnish Broker with necessary personal and financial information to assist Buyer's efforts to purchase Property.

Have you signed another Exclusive Buyer Agency Contract? Yes No

If yes, with whom? _____

Explain: _____

2. Effect of Exclusive Buyer Agency Contract. By appointing Broker as Buyer's Exclusive Agent, Buyer agrees to conduct all negotiations for Property through Broker, and to refer to Broker all inquiries received from real estate brokers, licensees, prospective sellers, or any other source during the time this Contract is in effect.

3. Duration of Agency. Broker's authority shall begin when this Contract is signed by Broker and Buyer, and will end on a date one hundred eighty days from the date of this Contract. This Contract may be terminated by either Broker or Buyer, with 3 day(s) written notice OR (please check if applicable) will end at _____ am/pm o'clock on the date of this Contract. If prior to expiration of this Contract, Buyer is negotiating or has entered into an Agreement of Sale, the ending date will be extended and this Contract will end when negotiations cease or settlement occurs.

4. Broker's Fee. Brokerage fees are generally paid by the Seller or listing broker and may be a percentage of the purchase price. **If the Seller pays or authorizes payment of a portion of the fee to Broker, that portion shall be credited against Buyer's obligation to compensate Broker.** Buyer shall pay Broker a fee, in the amount of either the amount offered through the Multiple Listing Service or three percent (3%) of the sale price, whichever is greater, OR the amount offered by a builder, for its services in locating and/or negotiating an Agreement of Sale on said property. Even though Broker's fee may be paid by a seller or seller's agent, the Broker will continue to represent the interests of the Buyer.

If the Buyer purchases Property on their own without Broker/Licensee's assistance (such as through an open house or property not listed with a real estate broker), the Buyer would still owe Broker three percent (3%) in consideration for Broker's commitment and efforts in assisting Buyer in attempting to acquire Property. The terms and length of this business relationship, the fees, and the range of services that Broker will provide are determined as a result of negotiations between Broker and Buyer and have not been set or recommended by any association of REALTORS®.

Administrative Fee. An Administrative Fee in the amount of \$275.00 shall be charged to the Buyer at settlement.

Payment of Broker's Fee. Broker's fee has been earned if Buyer enters into an Agreement of Sale during this Contract that was brought about by Broker, Broker's Licensees or by any person, including Buyer. The Broker's fee will be disbursed at closing by the settlement agent. If Buyer enters into an Agreement of Sale for Property after the Ending Date of this Contract, Buyer will pay Broker's fee:

- i) if the sale is a result of Broker's actions during the term of this Contract, and/or
- ii) if the Property was seen during the term of this Contract.

5. Agency Relationships. An agency relationship between Broker and Buyer cannot be presumed. Buyer has the right to be represented by a broker (agency relationship) and may do so by electing "Buyer Agent" and agreeing with Broker to the terms of the relationship.

5A. Designated Agency: Broker will designate licensee(s) to represent the interests of the Buyer. Licensee(s) is/are the Designated Agent(s), who will act exclusively as the Buyer Agent(s).

5B. Dual Agency. Buyer agrees that Broker may also represent the Seller of the property that Buyer may purchase. The Broker is a DUAL AGENT when representing both Buyer and the Seller in the sale of a property. If Buyer buys Property where the Seller's Designated Licensee is the same as Buyer's Designated Licensee, both Designated Licensee and Broker will act as Dual Agents. Buyer acknowledges that as a DUAL AGENT, the Broker/Licensee(s) will take no action that is adverse or detrimental to either party's interest in the transaction. Confidential information obtained within the fiduciary relationship of Designated Agency with Buyer and/or Seller will not be disclosed to the other party without prior written consent.

5C. Other Buyers. Other potential buyers may be interested in the same properties as Buyer; it is agreed that the Broker/Licensee may represent these buyers whether such representation arises prior to, during or after the end of this Contract. In the event a Licensee represents more than one Buyer with competing interests in the same property, it is agreed that Licensee will disclose to each Buyer the **existence only**, of the other's offer. Only at the direction of and with Seller's written instruction during the negotiation of an Agreement of Sale will Broker/Licensee disclose any material terms of any offer to any buyer.

Buyer agrees to Designated Agency with Disclosed Dual Agency. / Initials

6. Consumer Notice. Buyer acknowledges that Buyer has received and understands the business relationships described in the Consumer Notice adopted by the Pennsylvania Real Estate Commission at 49 Pa. Code §35.336. The duties and definitions of business relationships stated therein, are incorporated here as part of this disclosure as though written here in their entirety.

7. Please read the reverse side of this document. All Notices printed on the reverse of this document are included as part of this Contract.

IF YOU DO NOT UNDERSTAND ALL OF THE TERMS OF THIS DOCUMENT SEEK LEGAL ADVICE BEFORE SIGNING.

Accepted:

By Designated Licensee:

Prudential Fox & Roach Realtors

3409 WEST CHESTER PIKE, NEWTOWN SQUARE, PA 19073

Address _____ City _____ State _____ Zip _____

Phone 610-356-8347 Email Address of Licensee danny@laxhnela.com

Buyer: _____ Date _____

Address _____

City, State and Zip _____

Phone _____

Disclosure of Broker's Role. At time of initial contact, Broker shall inform all prospective sellers and their agents, if any, that Broker is acting on behalf of a Buyer-principal, as required by Pennsylvania law.

Broker's Role. Buyer acknowledges that Broker is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, home inspector or other professional service provider. **Buyer is advised that he/she has the right to seek professional advice concerning the condition of the property, and legal or tax matters.**

Services to Seller. Broker may provide services to a seller for which Broker may accept a fee. Such services may include, but are not limited to, listing fees; deed/document preparation; ordering certifications required for closing; financial services; title transfer and preparation services; ordering insurance, construction, repair, or inspection services. Broker will disclose to Buyer if any fees are to be paid by Seller.

Services or Products Obtained from Outside Sources. Buyer will be responsible for obtaining or ordering products or services from outside sources. (Examples: surveys, property inspections, title reports, mortgages)

Assignment. No assignment of Buyer's right under this Contract and no assignment of rights in property obtained by Buyer under this Contract shall operate to defeat any of Broker's rights.

Equal Opportunity. Properties shall be shown and made available to Buyer without regard to race, color, religion, sex, handicap, familial status or national origin as well as all classes protected by the laws of the United States, the State and applicable jurisdictions.

Indemnification of Broker. Buyer agrees to indemnify Broker and hold Broker harmless on account of any and all loss or damage arising out of this Agency Contract, provided Broker is not at fault, including, but not limited to, attorneys' fees reasonably incurred by Broker.

Attorney's Fees. In case of litigation or arbitration concerning this Contract, the Buyer and Broker agree that costs and reasonable attorney fees shall be awarded to the prevailing party.

Time is of the Essence. Time is of the essence in this Contract and all dates and times will be strictly enforced.

Pennsylvania Recovery Fund. Pennsylvania has a Real Estate Recovery Fund (the Fund) to repay any person who has received a final court ruling (civil judgement) against a Pennsylvania real estate licensee because of fraud, misrepresentation, or deceit in a real estate transaction. The Fund repays persons who have not been able to collect the judgement after trying all lawful ways to do so. For complete details about the Fund, call (717) 783-3658 or (800) 822-2113 (within Pennsylvania), and (717) 783-4854 (outside Pennsylvania).

Entire Contract. This Exclusive Buyer Agency Contract constitutes the entire Contract between the parties and any prior contracts, whether oral or written, have been merged and integrated into this Contract. All modifications of this Contract are binding only when in writing and signed by all Buyers and the Broker.

Counterparts. If more than one person is named as a Buyer herein, this Contract may be executed by each Buyer, individually, and when so executed, such copies taken together shall be deemed to be a full and complete Contract between the parties.

Copy of Contract. Buyer acknowledges receipt of a copy of this Contract signed by the Broker.

Please Note: The terms "buyer", "seller", "buy", and "sell" shall also be construed to mean "tenant", "landlord", "rent" and "lease" respectively throughout this Contract.

Prudential Fox & Roach Realtors Policy Regarding Agency Relationships

1. **Prudential Fox & Roach works with Sellers and Buyers acting as Seller Agent (and/or landlord agent) or as a Buyer Agent (and/or Tenant Agent).** The relationship is formed through a written listing agreement with the Seller (Listing Contract) and through a written buyer agency agreement with the Buyer (Exclusive Buyer Agency Contract).
 - 1A. **Designated Agency** – Prudential Fox & Roach will appoint a licensee to work as the Designated Agent of the Seller and/or Buyer. The appointment of the designated agent will be made only with the written consent of the Seller and/or Buyer in the Listing Contract or Exclusive Buyer Agency Contract or other written consent of the client.
 - 1B. **Dual Agency** – In the event a licensee is acting as the Designated Seller Agent and the Designated Buyer Agent in a transaction, the agency relationship will change and the licensee shall be a Dual Agent, as outlined in the Listing Contract and the Exclusive Buyer Agency Contract. The potential for Dual Agency will be disclosed to Seller and Buyer at the time significant interest in a particular property is expressed and will be confirmed in writing prior to an Agreement of Sale.

Prudential Fox & Roach has the responsibility to direct and supervise the business activities of the Designated Licensee(s) and thereby owes fiduciary duties to both the Seller/Landlord and Buyer/Tenant as a Dual Agent.
2. **Prudential Fox & Roach will cooperate with other Brokers who act as Transaction Brokers or Buyer Agents.** Licensees of Prudential Fox & Roach are authorized to accept offers of cooperation (in the form of an Agreement of Sale) and to offer compensation to a Cooperating Broker who is acting as a Transaction Broker or a Buyer Agent. **Licensees are not authorized to offer compensation to a Cooperating Broker who is acting as a Subagent.**
3. **Prudential Fox & Roach will not act as a Subagent for a Seller or Buyer.**