

AREA EXPLANATORY FORM

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**Designated
Agency**



Agreement Number _____

EXCLUSIVE BUYER REPRESENTATION AGREEMENT

An Agreement to Exclusively Represent a Buyer

(For Use in Designated Agency Brokerages)

Between
THE BROKERAGE (WE) and **THE BUYER (YOU)**

Name _____ Name _____

Name _____ Name _____

1. THE PROPERTY (SEARCH CRITERIA)

1.1 Your search criteria are:

Property Type _____

Market Area(s) _____

2. OUR AGENCY RELATIONSHIP

2.1 You give us the exclusive right to assist you in buying a property that matches the search criteria you give us. We appoint

(the designated agent) to serve as sole agent for you. This agreement creates a sole agency relationship with the designated agent, as the Real Estate Council of Alberta's *Consumer Relationships Guide* (Guide) explains. That means you cannot appoint anyone else as your agent or representative with the same search criteria during this agreement. However, we may represent sellers and other buyers.

2.2 If the designated agent is no longer registered with us and at your request, we will appoint another designated agent to serve as sole agent for you or this agreement ends.

2.3 The designated agent's knowledge will not be attributed to us or to our designated agents representing sellers.

2.4 This agreement begins on _____, 20____ at _____.m.
It ends on _____, 20____ at _____.m.

3. OUR RESPONSIBILITIES

3.1 During this agreement we must:

- (a) be impartial in our dealings with you and other sellers represented by us in whose property you are interested.
- (b) make sure the designated agent that represents you meets our applicable policies and procedures.
- (c) supervise the designated agent and support staff to make sure their responsibilities are met.
- (d) hold money we receive in trust, as the *Real Estate Act* requires.
- (e) give you a copy of this agreement as soon as possible after signing.

4. THE DESIGNATED AGENT'S RESPONSIBILITIES

4.1 The designated agent must meet their agency responsibilities to you in a timely manner.

4.2 In addition to the responsibilities described in the Guide, the designated agent must also:

- (a) look for properties that match your search criteria, until you buy a property under this agreement, or this agreement ends.
- (b) keep you informed during the search and any resulting transaction.
- (c) tell the seller of a property you are interested in that they are your agent.
- (d) take reasonable steps to find and give you information about properties and transactions you are interested in.
- (e) help you prepare an offer and negotiate favourable terms and conditions with a seller.
- (f) help you to comply with a contract to buy the property.
- (g) present all offers and counter-offers to and from you, even when the property is already the subject of an accepted offer.

5. THE DESIGNATED AGENT'S OTHER SERVICES

5.1 You request and the designated agent agrees to provide the following services:

6. YOUR RESPONSIBILITIES

6.1 During this agreement you must:

- (a) communicate and cooperate with us.
- (b) discuss with us any specific information you want about a property. This may include:
 - (i) information the seller does not have to disclose, or
 - (ii) issues that may prevent you from buying a property.

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- (c) give us enough personal and financial information so we can assess your ability to buy property that matches your search criteria.
- (d) tell us about inquiries you make or receive about purchases that affect this agreement.

6.2 During this agreement and _____ days after this agreement ends, you must give us copies of any offers we don't know about that you make or receive for properties that match the search criteria, unless you sign a buyer representation agreement with another brokerage that begins after this agreement ends.

7. CONFLICTS OF INTEREST

- 7.1** It is not a conflict of interest if the designated agent simply shows you a property owned by a seller they also represent.
- 7.2** A conflict of interest occurs when the designated agent acts as the sole agent for both you and the seller. In that case, they must tell you there is a conflict and tell you and the seller your options.
- 7.3** If there is a conflict, you and the seller may agree to have the designated agent act as a transaction facilitator. In that case, they work for both sides to bring about a purchase and sale and do not act as sole agent for either of you.
- 7.4** If the designated agent, you or the seller decide not to have them facilitate the purchase and sale, they will act as the sole agent of the side which first signed a representation agreement with us, unless we all agree otherwise in writing.
- 7.5** If the designated agent does not continue to act as your sole agent, you may ask us to designate another agent from our brokerage, you may choose another brokerage, ask our designated agent to refer you to another brokerage, or have a customer relationship with the designated agent. If you are a customer, the designated agent's responsibilities are limited to those outlined in the Guide.

8. OUR FEE, RETAINER, AND LIMITS ON PAYMENTS

- 8.1** Our fee is: _____
(plus GST)
- 8.2** If you pay us a retainer we will apply the retainer towards our fee. The retainer is \$ _____ and is payable by _____, 20____. If you do not owe us fees, we must refund the retainer within _____ days after this agreement ends, unless we and you agree otherwise in writing.
Other: _____
- 8.3** You must pay our fee if:
 - (a) while this agreement is in effect, you enter into a legally binding contract to buy a property that matches the search criteria, whether through us or not. You must pay us even if you don't complete the purchase, unless you have a legal reason for not completing it.
 - (b) in the _____ days after this agreement ends, you enter into a legally binding contract to buy a property we introduced to you during the term of this agreement. You must pay us even if you don't complete the purchase, unless you have a legal reason for not completing it.
- 8.4** You authorize us to ask the seller's real estate brokerage (or the seller, if the seller does not have a brokerage) to pay our fee.
- 8.5** If you are responsible for the whole fee, you must pay it within _____ days after the purchase is complete.
- 8.6** You do not pay our fee if you:
 - (a) buy a property excluded in writing from this agreement.
 - (b) sign a buyer representation agreement with another brokerage that begins after this agreement ends.
- 8.7** If the money paid to us is more than our fee we must refund the difference to you within _____ days after this agreement ends. If our fee is more than the money paid to us and your retainer, you must pay us the difference within _____ days after this agreement ends.
- 8.8** If you change your mind about looking for a property, you must tell us in writing. You must reimburse us for our reasonable expenses up to the time you tell us. Reasonable expenses will include: _____

If you pay these reasonable expenses, it does not remove your responsibility to pay other amounts you may owe us under this agreement.

- 8.9** We must not accept any other fees including finder's fees, referral fees, bonuses or gifts directly or indirectly related to this agreement, unless we first tell you in writing everything relevant about the payment and you consent in writing to the payment.

9. PERSONAL AND CONFIDENTIAL INFORMATION

- 9.1** You give your consent to us to collect, maintain, use and disclose your personal information for this agreement and for all uses consistent with you buying, or potentially buying, property.
- 9.2** You agree that we, our real estate board, and other listing services may keep and give out information about any property bought through us for reporting, appraisal and statistical purposes. Any further or additional use of the information will require your consent.
- 9.3** We will not:
 - (a) give out any of your confidential information without your consent, unless required by law.

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- (b) use confidential information received from you or that we get as a result of performing under this agreement for any other purpose than those in this agreement unless you agree in writing.
- (c) give you any confidential information we have because of a past or present agency relationship with someone else.

10. ONGOING OBLIGATIONS

10.1 Our duty to keep your information confidential continues after this agreement ends.

11. INDEMNIFICATION

11.1 You agree that you will indemnify us and our brokerage representatives against all claims and legal actions that may arise because we reasonably and in good faith relied on information you gave us. This means that you will have to pay us in full for the outcome of these claims and legal actions and any related expenses including legal fees.

12. ADDITIONAL TERMS (IF ANY)

13. EARLY END TO THIS AGREEMENT

13.1 Despite the end date listed at the beginning of this agreement, the agreement ends immediately if any of these things happen:

- (a) you complete a purchase of a property matching the search criteria.
- (b) we and you agree in writing to an earlier end date.
- (c) our licence to trade in real estate is suspended or cancelled.
- (d) we are bankrupt, insolvent, or we are in receivership.
- (e) you materially breach this agreement and we give you written notice to end it, or we materially breach this agreement and you give us written notice to end it.
- (f) you give us written notice to end this agreement because our board membership status changes to the extent that we cannot fulfill our obligations under this agreement.

If the agreement ends for any of these reasons, our rights and your rights under this agreement will not be affected.

14. OTHER DETAILS ABOUT THIS AGREEMENT

14.1 Documents attached to this agreement only form part of this agreement if we and you sign or initial them. This agreement includes these attached documents:

14.2 Any future changes to this agreement must be in writing and signed by both of us to be effective.

14.3 Words with a singular meaning may be read as plural when required by the context.

14.4 If any clauses added to this agreement conflict with standard clauses in this agreement, the added clauses apply.

14.5 This agreement is the entire agreement between us and you. Anything we discussed with you, or that you told us, is not part of this agreement unless it is in this agreement.

14.6 The laws of the Province of Alberta govern this agreement.

14.7 A purchase is complete when all money has been paid to the seller or the sellers' lawyer and is releasable.

15. BUYER ACKNOWLEDGMENT

15.1 You acknowledge that:

- (a) you have read this agreement.
- (b) you have received and read the Guide.
- (c) this agreement creates a sole agency relationship with the designated agent, as the Guide describes.
- (d) you had the opportunity to get independent advice from a lawyer before signing this agreement.
- (e) this agreement accurately sets out what we and you agree to.

16. CONTACT INFORMATION

16.1 The following contact information must be used for all written communications between us and you. If this contact information changes, we and you must tell each other in writing within two days of the change.

BUYER:

Name _____

Name _____

Address _____
(postal code)

Address _____
(postal code)

Phone: _____ Fax: _____

Phone: _____ Fax: _____

Email: _____

Email: _____



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BROKERAGE:

Name _____

Address _____
(postal code)

Phone: _____ Fax: _____

Email: _____

BROKERAGE REPRESENTATIVE:

Name _____

Address: c/o the Brokerage

Phone: _____ Fax: _____

Email: _____

16.2 We and you may communicate and deliver documents and information to each other in person, by mail, or electronically. We and you acknowledge there are risks with each of these methods and we have explained these risks to you.

16.3 We and you agree that for our communication an electronic signature will have the same function as an ink signature and that any documents or information exchanged between us will be considered delivered when they are sent.

SIGNATURES:

SIGNED AND DATED on _____, 20____.

Signature of Buyer

Print Name of Buyer

Signature of Witness

Print Name of Witness

Signature of Buyer

Print Name of Buyer

Signature of Witness

Print Name of Witness

Signature of Brokerage Representative

Print Name of Brokerage Representative

Buyer: Initial here to show you have received a copy of this Agreement _____

Initials Dated at _____ .m. on _____, 20____.

Disclaimer: AREA's Explanatory Forms are intended to assist Alberta REALTORS® in developing client relationships. They should not be relied upon for legal advice. REALTORS® are responsible to ensure their activities comply with the Real Estate Act and Rules, their local board rules and the policies of their brokerage.

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