

**BUYER REPRESENTATION
CONTRACT: EXCLUSIVE**

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1. Date _____

2. Page 1 of _____ pages

3. **DEFINITIONS:** Buyer is _____ ("Buyer").

4. Broker is CHOICE REALTY ("Broker").
(Real Estate Company Name)

5. Buyer gives Broker the exclusive right to locate and/or to assist in negotiations for the purchase, exchange of or option
6. to purchase ("Purchase") property at a price and with terms acceptable to Buyer. This Contract starts on
7. _____, 20_____, and ends at 11:59 P.M. on _____, 20_____.

8. This Contract terminates upon successful closing of a property or expiration or cancellation of this Contract, whichever
9. occurs first.

10. This Contract may only be canceled by written mutual agreement of the parties.

11. **BROKER'S OBLIGATION:** Broker shall make a reasonable effort to locate property acceptable to Buyer. Broker
12. shall use professional knowledge and skills to assist in negotiations for the Purchase of property. Broker shall assist
13. Buyer throughout the transaction. Broker shall act in Buyer's best interest at all times, subject to any limitations imposed
14. by law or dual agency. Broker shall comply with all applicable fair housing and nondiscrimination regulations.

15. **BUYER'S OBLIGATION:** Buyer shall work exclusively with Broker for the Purchase of property. Buyer shall promptly
16. furnish to Broker accurate and relevant personal financial information to ascertain Buyer's ability to Purchase property,
17. if requested. Buyer shall cooperate with Broker in finding a property to Purchase. After a purchase agreement has
18. been accepted by seller, Buyer is legally obligated to Purchase the property. If Buyer refuses to close the Purchase for
19. any reason other than the failure of seller to perform, subject to relevant contingencies, Buyer shall pay Broker all
20. compensation due under this Contract.

21. **NOTICE: THE COMPENSATION FOR THE PURCHASE, LEASE, RENTAL OR MANAGEMENT OF REAL**
22. **PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S**
23. **CLIENT.**

24. **BROKER'S COMPENSATION:** (Fill in all blanks.):

25. If Buyer, or any other person acting on Buyer's behalf, agrees to Purchase any property during the term of this Contract,
26. the following compensation will apply.

27. 1. Buyer agrees to pay Broker a retainer fee of \$ 0.00 at the commencement of this Contract,
28. which fee shall be kept by Broker whether or not Buyer Purchases property. The retainer fee shall apply toward
29. satisfaction of any obligation to compensate Broker.

30. 2. Buyer shall pay Broker, as Broker's compensation, BETWEEN 2.5%-3% percent (%) of the selling price or
31. \$ 2,495.00, whichever is greater, when Buyer closes the Purchase, if:

32. A: Buyer Purchases or agrees to Purchase a property before the expiration of this Contract, even if Buyer does
33. not use Broker's services; or

34. B: within 180 days (not to exceed six (6) months) after the expiration of this Contract, Buyer Purchases
35. property which either Broker or licensee representing Buyer has physically shown Buyer or in which Buyer
36. has made an affirmative showing of interest to Broker or licensee representing Buyer before the expiration of
37. this Contract, as long as Broker has identified this property on a written list Broker gives to Buyer within 72
38. hours after the expiration of this Contract.

39. Broker is authorized to negotiate and receive compensation paid by seller, or broker representing or assisting seller, if
40. Broker informs Buyer in writing before Buyer signs an offer to Purchase the property. Any compensation accepted by
41. Broker from seller, or broker representing or assisting seller, ☒ **SHALL** ☐ **SHALL NOT** reduce any obligation of Buyer

(Check one.)

42. to pay the compensation by the amount received by seller or broker.

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44. Buyer understands that Buyer does not have to pay Broker's compensation if Buyer signs another valid buyer
45. representation contract or facilitator services agreement after the expiration or cancellation of this Contract, under
46. which Buyer is obligated to compensate another licensed real estate broker.

47. **CAUTION: BUYER'S ACTIONS IN LOCATING A PROPERTY MAY AFFECT PAYMENT OF COMPENSATION BY**
48. **SELLER(S) AND MAY THEREFORE OBLIGATE BUYER TO PAY ALL OR PART OF THE COMPENSATION**
49. **IN CASH AT CLOSING. FOR EXAMPLE: THE ACT OF GOING THROUGH AN OPEN HOUSE**
50. **UNACCOMPANIED BY BUYER'S BROKER OR LICENSEE REPRESENTING BUYER; OR SIGNING**
51. **A PURCHASE AGREEMENT THROUGH ANOTHER BROKER OR WITH OWNER (FOR SALE BY**
52. **OWNER) MAY REQUIRE BUYER'S PAYMENT OF THE FULL COMPENSATION TO BUYER'S BROKER.**

53. **GENERAL NATURE OF PROPERTY:** (Including the following property types: existing, new construction or to-be-built.)
54. *(Check all that apply.)*

55. ☐ **COMMERCIAL/INDUSTRIAL** ☐ **FARM** ☐ **RECREATION**
56. ☐ **RESIDENTIAL/INVESTMENT** ☐ **RESIDENTIAL/PERSONAL** ☐ **VACANT LAND**

57. **CLOSING SERVICES:**

58. **NOTICE:** THE REAL ESTATE BROKER, LICENSEE REPRESENTING BUYER, OR REAL ESTATE CLOSING
59. AGENT HAS NOT EXPRESSED AND, UNDER APPLICABLE STATE LAW, MAY NOT EXPRESS OPINIONS
60. REGARDING THE LEGAL EFFECT OF THE CLOSING DOCUMENTS OR OF THE CLOSING ITSELF.

61. After a purchase agreement for the property is signed, arrangements must be made to close the transaction. Buyer
62. understands that no one can require Buyer to use a particular person in connection with a real estate closing and that
63. Buyer may arrange for a qualified closing agent or Buyer's attorney to conduct the closing.

64. Buyer's choice for closing services *(Check one.):*

65. ☒ Buyer wishes to have Broker arrange for the closing.
66. ☐ Buyer shall arrange for a qualified closing agent or Buyer's attorney to conduct the closing.

67. _____
(Buyer's Initials) (Buyer's Initials)

68. **ADDITIONAL COSTS:** Buyer acknowledges that Buyer may be required to pay certain closing costs, which may
69. effectively increase the cash outlay at closing.

70. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
71. provides that a transferee ("Buyer") of a United States real property interest must withhold tax from the transferor
72. ("Seller") if the Seller is a foreign person and no exceptions from FIRPTA withholding apply. A Buyer is personally
73. liable for the full amount of FIRPTA withholding tax required to be withheld unless the Seller furnishes Buyer with
74. specific documentation ensuring Buyer is exempt from the withholding requirements as prescribed under 26 USC
75. §1445. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility
76. for withholding the applicable tax, Buyer should **seek appropriate legal and tax advice regarding FIRPTA compliance,**
77. **as Broker will be unable to assure Buyer that the transaction is exempt from the withholding requirements.**

78. **PRIVATE INSPECTION/WARRANTY:** Broker recommends that Buyer obtain a private home inspection to satisfy
79. himself/herself with the physical condition of the property. Furthermore, there are warranty programs available for some
80. properties which warrant the performance of certain components of a property, which warranty programs Buyer may
81. wish to investigate prior to the Purchase of any specific property.

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83. **AGENCY REPRESENTATION:** If the Buyer chooses to Purchase a property listed by Broker, a dual agency will be
84. created. This means that Broker will represent both the Buyer and the seller, and owe the same duties to the seller that
85. Broker owes to the Buyer. This conflict of interest will prohibit Broker from advocating exclusively on the Buyer's behalf.
86. Dual agency will limit the level of representation Broker can provide. If a dual agency should arise, the Buyer will need
87. to agree that confidential information about price, terms and motivation will still be kept confidential unless the Buyer
88. instructs Broker in writing to disclose specific information about the Buyer. All other information will be shared. Broker
89. cannot act as a dual agent unless both the Buyer and the seller agree to it. By agreeing to a possible dual agency,
90. the Buyer will be giving up the right to exclusive representation in an in-house transaction. However, if the Buyer should
91. decide not to agree to a possible dual agency, and the Buyer wants Broker to represent the Buyer, the Buyer may give
92. up the opportunity to Purchase the properties listed by Broker.

93. Buyer's Instructions to Broker:

94. Having read and understood this information about dual agency, Buyer now instructs Broker as follows:

95. ☐ Buyer will agree to a dual agency representation and will consider properties listed by Broker.

96. ☒ Buyer will not agree to a dual agency representation and will not consider properties listed by Broker.

97. Real Estate Company Name: CHOICE REALTY

98. Buyer: _____

99. By: _____ Buyer: _____
(Licensee)

100. Date: _____

101. **OTHER POTENTIAL BUYERS:** Buyer understands that other potential buyers may consider and/or make offers to
102. purchase through Broker the same or similar properties as Buyer is seeking to Purchase. Buyer consents to Broker
103. representing such other potential buyers before, during and after the expiration of this Contract.

104. **PREVIOUS AGENCY RELATIONSHIPS:** Broker, or licensee representing Buyer, may have had a previous agency
105. relationship with a seller of a property Buyer is interested in Purchasing. Buyer acknowledges that Buyer's Broker, or
106. licensee representing Buyer, is legally required to keep information regarding the ultimate price and terms the seller
107. would accept and the motivation for selling confidential, if known.

108. **TERMINATION OF FIDUCIARY DUTIES:** Broker's fiduciary duties, except the duty of confidentiality, terminate upon
109. Buyer's successful closing of a property or expiration or cancellation of this Contract, whichever occurs first.

110. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory
111. offender registry and persons registered with the predatory offender registry under MN Statute 243.166 may
112. be obtained by contacting the local law enforcement offices in the community where the property is located
113. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web site at
114. www.corr.state.mn.us.

115. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
116. transaction constitute valid, binding signatures.

117. **CONSENT FOR COMMUNICATION:** Buyer authorizes Broker and its representatives to contact Buyer by mail, phone,
118. fax, e-mail or other means of communication during the term of this Contract and any time thereafter.

MN:BRC:E-3 (8/18)

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120. **OTHER:** _____
121. _____
122. _____
123. _____
124. _____
125. _____
126. _____
127. _____

128. BROKER

129. **ACCEPTED BY:** CHOICE REALTY
(Real Estate Company Name)

130. **By:** _____
(Licensee)

131. _____
(Date)

132. 11357 30TH STREET NORTH LAKE ELMO MN 55042
(Address)

133. 651-699-3076
(Phone)

134. DANIELSON2247@MSN.COM
(E-Mail Address)

135.

136.

137.

138.

139.

140.

141.

142.

BUYER

ACCEPTED BY: _____
(Buyer)

(Date)

(Address)

(Phone)

(E-Mail Address)

BUYER

ACCEPTED BY: _____
(Buyer)

(Date)

(Address)

(Phone)

(E-Mail Address)

**THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER AND BROKER.
IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

MN:BRC:E-4 (8/18)

WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions.

THESE SOPHISTICATED CRIMINALS COULD:

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

Buyers/Tenants and Sellers/Owners are advised to:

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

If you suspect wire fraud in your transaction:

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.

(Signature)

(Date)

(Signature)

(Date)

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