OREA Ontario Real Estate Association

Buyer Representation Agreement
Authority for Purchase or Lease

Form 300
for use in the Province of Ontario

This is an Exclusive Buyer Representation Agreement

BETWEEN:

BROKERAGE:....., Tel.No. (.....).....

ADDRESS:.....

..... Fax.No. (.....).....
hereinafter referred to as the Brokerage.

AND:

BUYER(S)....., hereinafter referred to as the Buyer,

ADDRESS:.....

The Buyer hereby gives the Brokerage the **exclusive and irrevocable authority** to act as the Buyer's agent
commencing at.....a.m./p.m. on the.....day of....., 20.....,
and expiring at 11:59 p.m. on the.....day of....., 20.....(Expiry Date).

Buyer acknowledges that the time period for this Agreement is negotiable between the Buyer and the Brokerage, however, in accordance with the Real Estate and Business Brokers Act of Ontario (2002),
If the time period for this Agreement exceeds six months, the Brokerage must obtain the Buyer's initials.

(Buyer's Initials)

for the purpose of locating a real property meeting the following general description:
Property Type (Use):.....

.....

Geographic Location:.....

.....

The Buyer hereby warrants that the Buyer is not a party to a buyer representation agreement with any other registered real estate brokerage for the purchase or lease of a real property of the general description indicated above.

1. **DEFINITIONS AND INTERPRETATIONS:** For the purposes of this Buyer Representation Agreement ("Authority" or "Agreement"), "Buyer" includes purchaser and tenant, a "seller" includes a vendor, a landlord or a prospective seller, vendor or landlord and a "real estate board" includes a real estate association. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, and a lease includes any rental agreement, sub-lease or renewal of a lease. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone shown or introduced to the property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the property.

2. **COMMISSION:** In consideration of the Brokerage undertaking to assist the Buyer, the Buyer agrees to pay commission to the Brokerage as follows:
   If, during the currency of this Agreement, the Buyer enters into an agreement to purchase or lease a real property of the general description indicated above, the Buyer agrees the Brokerage is entitled to receive and retain any commission offered by a listing brokerage or by the seller. The Buyer understands that the amount of commission offered by a listing brokerage or by the seller may be greater or less than the commission stated below. The Buyer understands that the Brokerage will inform the Buyer of the amount of commission to be paid to the Brokerage by the listing brokerage or the seller at the earliest practical opportunity. The Buyer acknowledges that the payment of any commission by the listing brokerage or the seller will not make the Brokerage either the agent or sub-agent of the listing brokerage or the seller.

   If, during the currency of this Agreement, the Buyer enters into an agreement to purchase or lease any property of the general description indicated above, the Buyer agrees that the Brokerage is entitled to be paid a commission of.....% of the sale price of the property or

   .....

   The Buyer agrees to pay directly to the Brokerage any deficiency between this amount and the amount, if any, to be paid to the Brokerage by a listing brokerage or by the seller. The Buyer understands that if the Brokerage is not to be paid any commission by a listing brokerage or by the seller, the Buyer will pay the Brokerage the full amount of commission indicated above.
   The Buyer agrees to pay the Brokerage such commission if the Buyer enters into an agreement within .....days after the expiration of this Agreement **(Holdover Period)** to purchase or lease any real property shown or introduced to the Buyer from any source whatsoever during

INITIALS OF BROKERAGE: **INITIALS OF BUYER(S):**

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the term of this Agreement, provided, however, that if the Buyer enters into a new buyer representation agreement with another registered real estate brokerage after the expiration of this Agreement, the Buyer's liability to pay commission to the Brokerage shall be reduced by the amount paid to the other brokerage under the new agreement.
The Buyer agrees to pay such commission as described above even if a transaction contemplated by an agreement to purchase or lease agreed to or accepted by the Buyer or anyone on the Buyer's behalf is not completed, if such non-completion is owing or attributable to the Buyers default or neglect. Said commission, plus any applicable taxes, shall be payable on the date set for completion of the purchase of the property or, in the case of a lease or tenancy, the earlier of the date of occupancy by the tenant or the date set for commencement of the lease or tenancy. All amounts set out as commission are to be paid plus applicable federal Goods and Services Tax (GST) on such commission.

3. **REPRESENTATION:** The Buyer acknowledges that the Brokerage has provided the Buyer with written information explaining agency relationships, including information on Seller Representation, Sub-Agency, Buyer Representation, Multiple Representation and Customer Service.
The Brokerage shall assist the Buyer in locating a real property of the general description indicated above and shall represent the Buyer in an endeavour to procure the acceptance of an agreement to purchase or lease such a property.
The Buyer acknowledges that the Buyer may not be shown or offered all properties that may be of interest to the Buyer.
The Buyer hereby agrees that the terms of any buyer's offer or agreement to purchase or lease the property will not be disclosed to any other buyer.
The Buyer further acknowledges that the Brokerage may be entering into buyer representation agreements with other buyers who may be interested in the same or similar properties that the Buyer may be interested in buying or leasing and the Buyer hereby consents to the Brokerage entering into buyer representation agreements with other buyers who may be interested in the same or similar properties without any claim by the Buyer of conflict of interest.
The Buyer hereby appoints the Brokerage as agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase or lease a property negotiated by the Brokerage.

   MULTIPLE REPRESENTATION: The Buyer hereby acknowledges that the Brokerage may be entering into listing agreements with sellers of properties the Buyer may be interested in buying or leasing. In the event that the Brokerage has entered into or enters into a listing agreement with the seller of a property the Buyer may be interested in buying or leasing, the Brokerage will obtain the Buyer's written consent to represent both the Buyer and the seller for the transaction at the earliest practicable opportunity and in all cases prior to any offer to purchase or lease being submitted or presented.

   The Buyer understands and acknowledges that the Brokerage must be impartial when representing both the Buyer and the seller and equally protect the interests of the Buyer and the seller in the transaction. The Buyer understands and acknowledges that when representing both the Buyer and the seller, the Brokerage shall have a duty of full disclosure to both the Buyer and the seller, including a requirement to disclose all factual information about the property known to the Brokerage.

   However, The Buyer further understands and acknowledges that the Brokerage shall not disclose:
   - that the seller may or will accept less than the listed price, unless otherwise instructed in writing by the seller;
   - that the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
   - the motivation of or personal information about the Buyer or seller, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
   - the price the Buyer should offer or the price the seller should accept; and
   - the Brokerage shall not disclose to the Buyer the terms of any other offer.

   However, it is understood that factual market information about comparable properties and information known to the Brokerage concerning potential uses for the property will be disclosed to both Buyer and seller to assist them to come to their own conclusions.

   MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Buyer understands and agrees that the Brokerage also provides representation and customer service to other buyers and sellers. If the Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Brokerage's relationship to each seller and buyer.

4. **REFERRAL OF PROPERTIES:** The Buyer agrees that during the currency of this Buyer Representation Agreement the Buyer will act in good faith and work exclusively with the Brokerage for the purchase or lease of a real property of the general description indicated above. The Buyer agrees that, during the currency of this Agreement, the Buyer shall advise the Brokerage immediately of any property of interest to the Buyer that came to the Buyer's attention from any source whatsoever, and all offers to purchase or lease submitted by the Buyer shall be submitted through the Brokerage to the seller. If the Buyer fails to advise the Brokerage of any property of interest to the Buyer that came to the Buyer's attention during the currency of this Agreement and the Buyer arranges a valid offer to purchase or lease the property during the currency of this Agreement or within the Holdover Period after expiration of this agreement, the Buyer agrees to pay the Brokerage the amount of commission set out above, payable within (5) days following the Brokerage's written demand therefor.

5. **INDEMNIFICATION:** The Brokerage and representatives of the Brokerage are trained in dealing in real estate but are not qualified in determining the physical condition of the land or any improvements thereon. The Buyer agrees that the Brokerage will not be liable for any defects, whether latent or patent, to the land or improvements thereon. All information supplied by the seller or landlord or the listing brokerage may not have been verified and is not warranted by the Brokerage as being accurate and will be relied on by the Buyer at the Buyer's own risk. The Buyer acknowledges having been advised to make their own enquiries to confirm the condition of the property.

6. **FINDERS FEE:** The Buyer acknowledges that the Brokerage may be receiving a finder's fee from a lender in the event that a new mortgage or an increase in financing is required for a transaction contemplated by this Agreement, and the Buyer consents to any such fee being retained by the Brokerage in addition to the commission as described above.

7. **CONSUMER REPORTS: The Buyer is hereby notified that a Consumer Report containing credit and/or personal information may be referred to in connection with this Agreement and any subsequent transaction.**

8. **USE AND DISTRIBUTION OF INFORMATION:** The Buyer consents to the collection, use and disclosure of personal information by the Brokerage for such purposes that relate to the real estate services provided by the Brokerage to the Buyer including, but not limited to: locating, assessing and qualifying properties for the Buyer; advertising on behalf of the Buyer; providing information as needed to third parties retained by the Buyer to assist in a transaction (e.g. financial institutions, building inspectors, etc...); and such other use of the Buyer's information as is consistent with the services provided by the Brokerage in connection with the purchase or prospective purchase of the property.
The Buyer agrees that the sale and related information regarding any property purchased by the Buyer through the Brokerage may be retained and disclosed by the Brokerage and/or real estate board(s) (if the property is an MLS® Listing) for reporting, appraisal and statistical purposes and for such other use of the information as the Brokerage and/or board deems appropriate in connection with the listing, marketing and selling of real estate, including conducting comparative market analyses.

INITIALS OF BROKERAGE: ( ) **INITIALS OF BUYER(S):** ( )

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9. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any provisions added to this Agreement, shall constitute the entire Agreement between the Buyer and the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

10. **ELECTRONIC COMMUNICATION:** This Buyer Representation Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Buyer by electronic means shall be deemed to confirm the Buyer has retained a true copy of the Agreement.

11. **SCHEDULE(S)**..... hereto form(s) part of this Agreement.

THE BROKERAGE AGREES TO REPRESENT THE BUYER IN LOCATING A REAL PROPERTY OF THE GENERAL DESCRIPTION INDICATED ABOVE IN AN ENDEAVOUR TO OBTAIN THE ACCEPTANCE OF AN AGREEMENT TO PURCHASE OR LEASE A PROPERTY ON TERMS SATISFACTORY TO THE BUYER.

..... DATE..... .....
(Authorized to bind the Brokerage) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL AND HAVE RECEIVED A TRUE COPY OF THIS AGREEMENT. Any representations contained herein are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

..... DATE..... .....
(Signature of Buyer) (Seal) (Tel. No.)

..... DATE..... .....
(Signature of Buyer) (Seal)

DECLARATION OF INSURANCE

The broker/salesperson.....
(Name of Broker/Salesperson)

hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.

.....
(Signature(s) of Broker/Salesperson)

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