



Let's Talk Forms

A settlement legal update

Juana Watkins
General Counsel – Florida Realtors®



How You Work With Sellers



Compensation Agreements

Seller's Broker to Buyer's Broker

Seller's Broker to Buyer's Broker



Compensation Agreement – Seller's Broker to Buyer's Broker



1. PARTIES

Seller's Broker: _____ ("Seller's Broker")

Buyer's Broker: _____ ("Buyer's Broker")

2. PROPERTY

Property Address: _____

(insert address)

_____, ("Property").

3. BUYER'S NAME (OPTIONAL - COMPLETE IF APPLICABLE)

_____, including any
affiliates, successors, or assigns ("Buyer").



Seller's Broker to Buyer's Broker

4. TERM

This Compensation Agreement takes effect when a fully executed copy has been delivered to all parties to this Agreement and will remain in effect for _____ (if left blank, then 30) days ("Term"). In no event shall the Term extend past the termination date of Seller's Broker's current listing of the Property, including any extensions or effective protection periods; except that, upon full execution of a contract for sale and purchase by a buyer of the Property procured by the Buyer's Broker ("Purchase Agreement"), the Term will automatically extend through the date of the actual closing of the Purchase Agreement.

Seller's Broker to Buyer's Broker

5. BUYER'S BROKER COMPENSATION

Seller's Broker will compensate Buyer's Broker as stated below at closing of Property if Buyer identified above in paragraph 3 closes on Property and Buyer's Broker is the procuring cause of the sale of Property during the Term. If no buyer is identified in paragraph 3, Buyer's Broker will be compensated at closing of Property if Buyer's Broker is procuring cause of the sale of Property during the Term.

Seller's Broker agrees to compensate Buyer's Broker (CHECK ONE):

- ☐ \$ _____ (flat fee)
- ☐ _____ % of the gross purchase price of the Property plus \$ _____
- ☐ other (specify): _____

Other terms: _____

Seller's Broker to Buyer's Broker

6. ARBITRATION

By initialing in the space provided, **Seller's Broker or Authorized Associate** (____) and **Buyer's Broker or Authorized Associate** (____) agree that any unresolvable dispute between Seller's Broker and Buyer's Broker will be submitted to binding arbitration by mutual agreeable arbitrator in accordance with the rules of the American Arbitration Association, or, if applicable, the most recent version of the National Association of Realtors Code of Ethics and Arbitration Manual.

7. MISC. CLAUSES

This Agreement will be construed under Florida law. This Agreement represents the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration, or modification of any of the provisions of this Agreement will be binding unless in writing and signed by the parties hereto. Electronic signatures will be acceptable and binding.

Broker's commissions are not set by law and are fully negotiable. In no event will Buyer's Broker's compensation exceed the amount of compensation in Buyer's Broker's separate written agreement with Buyer.



Compensation Agreements

Seller to Buyer's Broker

Seller to Buyer's Broker

Compensation Agreement - Seller to Buyer's Broker



1. PARTIES

This Seller to Buyer's Broker Compensation Agreement is between:

Buyer's Broker: _____ ("Buyer's Broker")
and

Seller: _____ ("Seller")

2. PROPERTY

Property Address: _____
(insert address)

_____ ("Property") listed by

Seller to Buyer's Broker

3. TERM

This Compensation Agreement takes effect when a fully executed copy has been delivered to all parties to this Agreement and will remain in effect for _____ (if left blank, then 30) days ("Term"). In no event shall the Term extend past the termination date of Seller's Broker's current listing of the Property, including any extensions or effective protection periods; except that, upon full execution of a contract for sale and purchase by a buyer of the Property procured by the Buyer's Broker ("Purchase Agreement"), the Term will automatically extend through the date of the actual closing of the Purchase Agreement.

Seller to Buyer's Broker

4. BUYER'S BROKER COMPENSATION

If Buyer's Broker is the procuring cause of the sale of Property during the Term, Seller will compensate Buyer's Broker as stated below at closing of Property.

Seller agrees to compensate Buyer's Broker (CHECK ONE):

- ☐ \$ _____ (flat fee)
- ☐ _____ % of the gross purchase price of the Property plus \$ _____.
- ☐ other (specify): _____

Other terms: _____

Seller (_____) (_____) and Buyer's Broker (_____) acknowledge receipt of a copy of this page, which is Page 1 of 2.
The Parties acknowledge this form should not be used to share offers of compensation to buyer brokers or other buyer representatives via any field in the Multiple Listing Service.

[illegible]

Date: _____

Seller to Buyer's Broker

Seller (____) (____) and Buyer's Broker (____) acknowledge receipt of a copy of this page, which is Page 2 of 2.
The Parties acknowledge this form should not be used to share offers of compensation to buyer brokers or other buyer representatives via any field in the Multiple Listing Service.





How You Work With Buyer



Pre-Touring Agreement

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Pre-Touring Agreement

Property Pre-Touring Agreement



I am a real estate licensee with _____ brokerage ("Broker").

Consumer(s) _____, _____ (collectively "Consumer") will use Broker's services to view properties the parties mutually agree upon for _____ days from the date the last party signs this agreement.

Pre-Touring Agreement

Broker compensation:

- **Brokerage commissions are not set by law and are fully negotiable.**
- You do not owe Broker any compensation at this time.
- If you wish to work with Broker to purchase property Broker shows you, Broker's compensation for services Broker provides to you will be as follows (check as applicable), unless amended by the parties in writing:
 - ☐ \$_____ (flat fee) due at closing.
 - ☐ _____ % of the gross purchase price plus \$_____ due at closing.
 - ☐ other: _____
- If you wish to work with Broker to purchase a property, Broker may ask you to sign a separate agreement detailing the parties' responsibilities during the sale.
- A seller or listing broker may agree to pay some or all of the above compensation. If a seller or listing broker agrees to pay Broker for services Broker performs for you, Broker will reduce the amount you owe accordingly.
- If you choose a property already listed by Broker, seller may pay Broker for services Broker performs for seller, and you will not be responsible for this compensation.
- **Broker's compensation from any source will not exceed the amount of compensation in a written agreement with you.**



Showing Agreement

Dating Exclusive in some ways

Showing Agreement



Showing Agreement

1. PARTIES: _____ ("**Consumer**")
agrees that if, between _____ and 11:59 p.m. on _____, **Consumer** becomes
interested in touring, negotiating the purchase, option, exchange, lease or other acquisition of any of the properties listed
below, **Consumer** will utilize the professional services of _____ ("**Broker**").
Should **Consumer** enter into either a fully executed contract for sale and purchase or a contract to lease on Property listed in
paragraph 2, the term of this Agreement will automatically extend through the date of the actual closing or lease execution by
all parties.

2. PROPERTY: This Agreement applies to the following properties:

Showing Agreement

3. BROKER'S OBLIGATIONS:

- (a) **Broker Assistance.** If **Consumer** wants to negotiate a transaction on any of the above properties, **Broker** will:
- use **Broker's** professional knowledge and skills;
 - use diligent effort to show **Consumer** the above-described properties;
 - assist **Consumer** in negotiating and closing any resulting transaction; and
 - cooperate with real estate licensees working with the owner, if any, to complete a transaction.
- (b) **Other Consumers.** **Consumer** agrees that **Broker** may work with other prospective consumers who want to acquire the same property as **Consumer**. **Consumer** agrees that **Broker** may make competing consumers aware of the existence of any offer **Consumer** makes, so long as **Broker** does not reveal any material terms or conditions of the offer without **Consumer's** prior written consent.
- (c) **Fair Housing.** **Broker** adheres to the principles expressed in the Fair Housing Act and will not participate in any act that unlawfully discriminates on the basis of race, color, religion, sex, handicap, familial status, country of national origin or any other category protected under federal, state or local law.
- (d) **Service Providers.** **Broker** does not warrant or guarantee products or services provided by any third party whom **Broker** refers or recommends to **Consumer** in connection with property acquisition.

Showing Agreement

4. CONSUMER'S OBLIGATIONS: **Consumer** agrees to cooperate with **Broker** in accomplishing the objectives of this Agreement, including:

- immediately contacting **Broker** upon deciding to negotiate for the acquisition of one or more of the above-listed properties;
- informing any other real estate licensee with whom **Consumer** has contact that **Consumer** has contracted to work with **Broker** with regard to the properties listed above;
- providing **Broker** and necessary third parties (i.e., any lender, closing agent, etc.) with accurate information requested by **Broker** or third parties in connection with ensuring **Consumer's** ability to acquire property. **Consumer** authorizes **Broker** to run a credit check to verify **Consumer's** credit information.
- indemnifying and holding **Broker** harmless from losses, damages, costs, and expenses of any nature, that **Broker** incurs because of **Consumer's** negligence, misrepresentations, or default on any agreement;
- consulting appropriate professionals for legal, tax, environmental, engineering, foreign reporting requirements and other specialized advice; and
- making a diligent good faith effort to perform the contract terms of any purchase agreement or contract to lease, and close on the sale of any property **Consumer** contracts to acquire.

Showing Agreement

5. COMPENSATION: **Broker's** compensation is earned when, during the term of this Agreement or any renewal or extension, **Consumer** or any person acting for or on behalf of **Consumer** contracts to acquire real property as specified in this Agreement. This compensation is for **Broker's** services for **Consumer**. Compensation received by **Broker**, if any, from an owner or owner's broker for services rendered to **Consumer** will reduce any amount owed by **Consumer** per this paragraph.

- (a) Purchase or exchange: \$ _____ or _____% (select only one); or \$ _____ or _____% plus \$ _____ (select only one) of the total purchase price or other consideration for the acquired property, payable no later than the date of closing specified in the sales contract; however, closing is not a prerequisite for **Broker's** fee being earned.
- (b) Lease: \$ _____ or _____% of _____ month's rent (select only one); or \$ _____ or _____% plus \$ _____ (select only one) of the gross lease value, payable when **Consumer** enters into a lease with the owner. If **Consumer** enters into a lease-purchase agreement, the amount of the leasing fee which **Broker** receives will be credited toward the amount due **Broker** for the purchase.
- (c) Other: Compensation for all other types of acquisition, see Additional Terms.

Showing Agreement

6. **RETAINER:** A **non-refundable** retainer fee of \$_____ for **Broker's** services provided for **Consumer** ("Retainer") is earned and payable upon execution of this Agreement. This Retainer is in addition to any compensation earned by **Broker**. **Broker** and **Consumer** agree the Retainer is for the real estate services described herein and does not constitute a fee paid for a rental information list as described in section 475.453, Florida Statutes.

7. **ADDITIONAL TERMS:** _____

Showing Agreement

8. DISPUTE RESOLUTION: This Agreement will be construed under Florida law. All controversies, claims, and other matters in question between the parties arising out of or relating to this Agreement or the breach thereof will be settled by first attempting mediation by mediator agreed upon by the parties. If litigation arises out of this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and costs, unless the parties agree that disputes will be settled by arbitration as follows: **Arbitration:** By initialing in the space provided, **Consumer** (____) (____), **Broker or Authorized Associate** (____), agree that disputes not resolved by mediation will be settled by neutral binding arbitration in the county in which the Property is located in accordance with the rules of the American Arbitration Association or other arbitrator agreed upon by the parties. Each party to any arbitration (or litigation to enforce the arbitration provision of this Agreement or an arbitration award) will pay its own fees, costs, and expenses, including attorney's fees, and will equally split the arbitrator's fees and administrative fees of arbitration.

Showing Agreement

9. ACKNOWLEDGMENT; MODIFICATIONS: **Consumer** has read this Agreement and understands its contents. This Agreement cannot be changed except by written agreement signed by both parties. Electronic signatures will be acceptable and binding. **Brokerage commissions are not set by law and are fully negotiable. Broker may not receive compensation from any source that exceeds the amount or rate agreed to with Consumer.** However, **Consumer** agrees that **Broker** may receive separate compensation from owner of the property for services rendered to owner by **Broker**, for which **Consumer** will not be responsible.



Exclusive Buyer Broker Agreement

Married!

Exclusive Buyer Brokerage Agreement

Exclusive Buyer Brokerage Agreement



1. **PARTIES:** _____ ("Consumer") grants
_____ ("Broker")
the exclusive right to work with and assist **Consumer** in locating and negotiating the acquisition of suitable real property as described below. The term "acquire" or "acquisition" includes any purchase, option, exchange, lease or other acquisition of an ownership or equity interest in real property.
2. **TERM:** This Agreement will begin on the _____ and will terminate at 11:59 p.m. on the _____ ("Termination Date"). However, if **Consumer** enters into an agreement to acquire property that is pending on the Termination Date, this Agreement will continue in effect until that transaction has closed or otherwise terminated.
3. **PROPERTY: Consumer** is interested in acquiring real property as follows or as otherwise acceptable to **Consumer** ("Property"):
 - (a) **Type of property:** _____
 - (b) **Location:** _____

Exclusive Buyer Brokerage Agreement

4. **BROKER'S OBLIGATIONS:**

(a) Broker Assistance. Broker will

- * use **Broker's** professional knowledge and skills;
- * discuss property requirements and assist **Consumer** in locating and viewing suitable properties;
- * assist **Consumer** in negotiating and closing any resulting transaction;
- * cooperate with real estate licensees working with the owner, if any, to complete a transaction.

(b) Other Consumers. Consumer understands that **Broker** may work with other prospective consumers who want to acquire the same property as **Consumer**. If **Broker** submits offers by competing consumers, **Broker** will notify **Consumer** that a competing offer has been made, but will not disclose any of the offer's material terms or conditions. **Consumer** agrees that **Broker** may make competing consumers aware of the existence of any offer **Consumer** makes, so long as **Broker** does not reveal any material terms or conditions of the offer without **Consumer's** prior written consent. **Consumer** understands that even if **Broker** is compensated by an owner or a real estate licensee who is working with an owner, such compensation does not compromise **Broker's** duties to **Consumer**.

(c) Fair Housing. Broker adheres to the principles expressed in the Fair Housing Act and will not participate in any act that unlawfully discriminates on the basis of race, color, religion, sex, handicap, familial status, country of national origin or any other category protected under federal, state or local law.

(d) Service Providers. Broker does not warrant or guarantee products or services provided by any third party whom **Broker**, at **Consumer's** request, refers or recommends to **Consumer** in connection with property acquisition.

Exclusive Buyer Brokerage Agreement

5. **CONSUMER'S OBLIGATIONS:** **Consumer** agrees to cooperate with **Broker** in accomplishing the objectives of this Agreement, including:

- (a) Conducting all negotiations and efforts to locate suitable property only through **Broker** and referring to **Broker** all inquiries of any kind from real estate licensees, property owners or any other source. If **Consumer** contacts or is contacted by an owner or a real estate licensee who is working with an owner or views a property unaccompanied by **Broker**, **Consumer**, will, at first opportunity, advise the owner or real estate licensee that **Consumer** is working with and represented exclusively by **Broker**.
- (b) Providing **Broker** and necessary third parties (i.e., any lender, closing agent, etc.) with accurate information requested by **Broker** or third parties in connection with ensuring **Consumer's** ability to acquire property. **Consumer** authorizes **Broker** to run a credit check to verify **Consumer's** credit information.
- (c) Being available to meet with **Broker** at reasonable times for consultations and to view properties.
- (d) Indemnifying and holding **Broker** harmless from and against all losses, damages, costs and expenses of any kind, including attorney's fees, and from liability to any person, that **Broker** incurs because of acting on **Consumer's** behalf.
- (e) Not asking or expecting to restrict the acquisition of a property according to race, color, religion, sex, handicap, familial status, country of national origin or any other category protected under federal, state or local law.
- (f) Consulting an appropriate professional for legal, tax, environmental, engineering, foreign reporting requirements and other specialized advice.

Exclusive Buyer Brokerage Agreement

6. **RETAINER:** A **non-refundable** retainer fee of \$ _____ for **Broker's** services provided for **Consumer** ("Retainer") is earned and payable upon execution of this Agreement. This Retainer is in addition to any compensation earned by **Broker**. **Broker** and **Consumer** agree the Retainer is for the real estate services described herein and does not constitute a fee paid for a rental information list as described in section 475.453, Florida Statutes.

Exclusive Buyer Brokerage Agreement

7. **COMPENSATION: Broker's** compensation is earned when, during the term of this Agreement or any renewal or extension, **Consumer** or any person acting for or on behalf of **Consumer** contracts to acquire real property as specified in this Agreement or defaults on any contract to acquire property. This compensation is for **Broker's** services for **Consumer**. Compensation received by **Broker**, if any, from an owner or owner's broker for services rendered to **Consumer** will reduce any amount owed by **Consumer** per this paragraph.

(a) **Purchase or exchange:** \$ _____ or _____ % (select only one); or \$ _____ or _____ % plus \$ _____ (select only one) of the total purchase price or other consideration for the acquired property, payable no later than the date of closing specified in the sales contract; however, closing is not a prerequisite for **Broker's** fee being earned.

(b) **Lease:** \$ _____ or _____ % of _____ month's rent (select only one); or \$ _____ or _____ % plus \$ _____ (select only one) of the gross lease value, payable when **Consumer** enters into a lease with the owner. If **Consumer** enters into a lease-purchase agreement, the amount of the leasing fee which **Broker** receives will be credited toward the amount due **Broker** for the purchase.

(c) **Option: Broker** will be paid \$ _____ or _____ % of the option amount (select only one), to be paid when **Consumer** enters into the option agreement. If **Consumer** enters into a lease with option to purchase, **Broker** will be compensated for both the lease and the option.

(d) **Other: Broker** will be compensated for all other types of acquisitions as if such acquisition were a purchase or exchange.

(e) **Additional Fees:** _____

Exclusive Buyer Brokerage Agreement

8. **PROTECTION PERIOD:** **Consumer** will compensate **Broker** if, within _____ (if left blank, 30) days after Termination Date, **Consumer** contracts to acquire any property which was called to **Consumer's** attention by **Broker** or any other person or found by **Consumer** during the term of this Agreement. **Consumer's** obligation to pay **Broker's** fee ceases upon **Consumer** entering into a good faith exclusive buyer brokerage agreement with another broker after Termination Date.

9. **CONDITIONAL TERMINATION:** At **Consumer's** request, **Broker** may agree to conditionally terminate this Agreement. If **Broker** agrees to conditional termination of this Agreement, **Consumer** must enter a written agreement to this effect and pay a cancellation fee of \$ _____. **Broker** may void the conditional termination and **Consumer** will pay the fee stated in the **COMPENSATION** Paragraph less the cancellation fee if, from the early termination date to Termination Date plus Protection Period, if applicable, **Consumer** contracts to acquire any property which, prior to the early termination date, was found by **Consumer** or called to **Consumer's** attention by **Broker** or any other person.

Exclusive Buyer Brokerage Agreement

10. **DISPUTE RESOLUTION:** This Agreement will be construed under Florida law. All controversies, claims, and other matters in question between the parties arising out of or relating to this Agreement or the breach thereof will be settled by first attempting mediation under the rules of the American Arbitration Association or other mediator agreed upon by the parties. If litigation arises out of this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and costs, unless the parties agree that disputes will be settled by arbitration as follows: **Arbitration:** By initialing in the space provided, **Consumer** (____) (____), and **Broker** or **Authorized Associate** (____) agree that disputes not resolved by mediation will be settled by neutral binding arbitration in the county in which the Property is located in accordance with the rules of the American Arbitration Association or other arbitrator agreed upon by the parties. Each party to any arbitration (or litigation to enforce the arbitration provision of this Agreement or an arbitration award) will pay its own fees, costs, and expenses, including attorney's fees, and will equally split the arbitrator's fees and administrative fees of arbitration.

11. **ASSIGNMENT; PERSONS BOUND:** **Broker** may assign this Agreement to another broker. This Agreement will bind and inure to **Broker's** and **Consumer's** heirs, personal representatives, successors and assigns.

Exclusive Buyer Brokerage Agreement

12. **BROKERAGE RELATIONSHIP:** **Broker** will act as a transaction broker. **Broker** will deal honestly and fairly; will account for all funds; will use skill, care, and diligence in the transaction; will disclose all known facts that materially affect the value of the residential property which are not readily observable to buyer; will present all offers and counteroffers in a timely manner unless directed otherwise in writing; and will have limited confidentiality with **Buyer** unless waived in writing.

13. **OTHER TERMS:** _____

14. **ACKNOWLEDGMENT; MODIFICATIONS:** **Consumer** has read this Agreement and understands its contents. This Agreement cannot be changed except by written agreement signed by both parties. Electronic signatures will be acceptable and binding. **Brokerage commissions are not set by law and are fully negotiable. Broker may not receive compensation from any source that exceeds the amount or rate agreed to with Consumer.** However, **Consumer** agrees that **Broker** may receive separate compensation from owner of the property for services rendered to owner by **Broker**, for which **Consumer** will not be responsible.

And Let's Talk Some More



FREE WEBINAR:

Let's Talk Buyer Broker Agreements

with **Juana Watkins**

Vice President of Law and Policy and General Counsel

- Monday, July 29 / 2 p.m. – 3:30 p.m. **(Brokers)**
- Tuesday, July 30 / 10 a.m. – 11:30 a.m. **(All members)**





Questions?

Call the Legal Hotline:
(407) 438-1409

Email us at:

Legalnews@floridarealtors.org

Juanaw@floridarealtors.org