Compensation/Concession Addendum – Relating to Buyer's Broker

____ (BUYER) and ____ (SELLER)

agree to amend the (select one): □ Residential Sale and Purchase Contract □ Vacant Land Contract □ Commercial Contract, concerning the property located at:

Buyer's Initials ___________ Seller's Initials ___________

Broker commission amounts are not fixed by law and remain completely negotiable.

The Buyer has entered into a separate brokerage agreement, which may be updated (referred to as a "Buyer Broker Agreement" and not included herein by reference) with _______________________________ ("Buyer's Broker").

OPTION 1: SELLER CREDIT TO BUYER

At Closing, the Seller agrees to provide the Buyer with the amount(s) listed below. For disclosure purposes only, the parties agree this relates to the Buyer's obligation under the Buyer Broker Agreement to cover all or part of the Buyer Broker's compensation (select one):

□ _____ % of the Purchase Price
□ $ ___________
□ _____ % of the Purchase Price PLUS $ ___________

If the credit granted is higher than the amount permitted by the Buyer's lender, then (check one): □ The remaining balance will be paid directly to the Buyer's Broker, or □ The credit will be reduced to the highest amount allowed by the lender. (If neither option is selected, the remaining balance will go directly to the Buyer's Broker.)

OPTION 2: PAYMENT MADE DIRECTLY TO BUYER'S BROKER

At Closing, either the Seller or the Seller's Broker, as indicated in the Compensation Agreement below, agrees to pay the Buyer's Broker the amount(s) stated (choose one):

□ _____ % of the Purchase Price
□ $ ___________
□ _____ % of the Purchase Price PLUS $ ___________

This Agreement is conditional upon (select one): □ Seller's Broker and Buyer's Broker, or □ Seller and Buyer's Broker, signing a Compensation Agreement reflecting the above terms ("Compensation Agreement") within _____ days of the Effective Date (default is three (3) days if left blank).

If the Compensation Agreement is not signed and delivered within the stated period, the Buyer may, within three (3) days, notify the Seller in writing to terminate this Contract. The Buyer will then receive a refund of the Deposit, releasing both Buyer and Seller from further obligations under this Contract. If the Buyer does not give timely notice, this termination right is waived and the Contract continues as valid.

If the agreed credit exceeds the maximum permitted by the Buyer Broker Agreement, it will be limited to the amount allowed under that agreement (as it may be amended).

This Addendum does not alter the Buyer Broker Agreement or any other compensation agreement between Seller, Buyer, Seller's Broker, or Buyer's Broker. It also does not require the Buyer or Buyer's Broker to provide a copy of the Buyer Broker Agreement to the Seller or Seller's Broker.

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