

EXCLUSIVE BUYER REPRESENTATION AGREEMENT (BUYER AGENCY)

1 **Broker/Firm:** _____

2 **Address of Firm:** _____

3 **Buyer:** _____

4 **1. TERM.**

5 In consideration of the mutual promises set forth herein and other valuable consideration, the receipt and adequacy of which are
6 acknowledged, this Agreement is made on this _____ day of
7 _____, 20____ (“Effective Date”) by and between the undersigned (“Client” or “Buyer”) and Firm/Broker of
8 _____ (“Broker”), he Broker will act as the Client’s exclusive agent to locate property for the Client’s purchase, lease, exchange, or
9 option (collectively referred to as “Purchase”) during the term of this Agreement and will advocate for the Client’s best interests in
10 negotiating the terms and conditions of any such Purchase. This Buyer Representation Agreement (“Agreement”) begins on the
11 Effective Date and ends at 11:59 p.m. local time on _____, _____, or upon the closing (or, in the case of a lease, the date of
12 possession) of any Purchase under this Agreement, whichever occurs first. If a agreement for purchase, exchange, or lease is signed
13 before this Agreement’s expiration, its term shall extend until the final disposition of the related Purchase and Sale Agreement,
14 exchange agreement, or lease agreement.

15 **2. TYPE OF PROPERTY SOUGHT BY CLIENT.**

16 **A. General Description, Size and Location:**

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18
19 **B. Price Range & Terms:** _____

20 **C. Sources to be Searched for Property:**

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22
23 **D. Other Terms/Conditions:**

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26 **E. Properties Specifically Exempted from this Agreement:**

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28
29 **3. CLIENT DUTIES.**

30 Buyer agrees:

31 **A.** To exclusively purchase property through the Broker during the term of this Agreement.

32 **B.** To provide the Broker with any necessary personal and/or financial information in a timely manner to confirm the Client’s ability
33 to purchase.

34 **C.** To affirm that the Client is not currently bound by an exclusive right-to-buy agreement or exclusive buyer representation agreement
35 with another agent.

36 **D. Termination:** If the Broker agrees to release this Representation Agreement before its expiration or any extensions, the Client
37 agrees to reimburse the Broker for all costs incurred or pay an amount mutually agreed upon by both parties as a cancellation fee, in
38 addition to any other amounts owed to the Broker.

39 **E. Carry-Over Clause.** Carry-Over Clause: If the Buyer enters into a agreement to purchase, exchange, or lease a property within
40 ___ days following the expiration of this Agreement with a Seller/Landlord (or their representative) introduced to the Buyer by the
41 Broker, either directly or indirectly, during the term of this Agreement (including any extensions), the Buyer agrees to compensate the
42 Broker as outlined below. However, this carry-over clause will not apply if the Buyer is bound by a buyer's representation agreement
43 with another licensed real estate broker at the time of such agreement.

44 **F.** The Client confirms that they have reviewed this Agreement and agree to its terms.

45 **4. COMPENSATION.**

46 **BROKER COMPENSATION IS NOT DETERMINED BY LAW, AND ALL COMPENSATION RATES ARE ENTIRELY**
47 **NEGOTIABLE.**

48 **A. Compensation for Broker's Services:** The Broker will be compensated in the amount of \$ _____ or _____ %
49 of the total sale price as payment for the services provided as described in this Agreement.

50 **B. Compensation from Seller:** The Buyer authorizes the Broker to negotiate with the Seller or the Seller's agent for the Broker's
51 fee, which will be fully disclosed to the Buyer.

52 **C. Shortfall in Compensation:** If the cooperating compensation paid by the Seller or the Seller's broker is less than the agreed
53 amount above, the Buyer agrees to pay the Broker the difference at closing.

54 **D. Compensation for Leasing:** If the Buyer leases a property instead of purchasing, the Buyer agrees to pay the Broker \$ ___ in
55 compensation, unless otherwise stated in this Agreement.

56 **E. Cap on Compensation:** If the Broker is a participant in the MLS, they will not receive compensation from any source exceeding
57 the amount specified above.

58 **F. VA Buyer:** If the Buyer's broker compensation is deemed non-allowable under VA guidelines and therefore cannot be paid by the
59 Buyer, the Broker waives this obligation.

60 **G. Timing of Broker's Fee:** The Broker's fee is earned upon the signing of a purchase, lease, exchange, or option agreement by both
61 parties for the described property(ies). The fee is payable at the closing of the transaction or upon possession of the property unless
62 otherwise stated. In the event the Buyer defaults on a valid agreement for sale, lease, exchange, or option, the Broker's fee becomes
63 due on the date of default. The Buyer also agrees to cover all reasonable attorney's fees, court costs, and related expenses incurred by
64 the real estate firm in enforcing the Buyer's obligations under this Agreement. Both parties agree that all remedies are fair and
65 equitable, and neither party will claim lack of mutuality of remedies as a defense in any dispute.

66 **H.** The payment of any fee by the Seller does not establish the Broker as either the Agent or Subagent of the Seller.

67 **I.** If the Client engages another real estate broker or interacts directly with the Seller's Agent or the Seller during the term of this
68 Agreement or any extensions, and subsequently enters into an agreement to purchase any property described herein, the Buyer remains
69 obligated to pay the Broker the commission specified in this Agreement.

70 **5. AGENCY.**

71 **A. Definitions**

72 **1. Broker.** In this Agreement, the term "Broker" refers to a licensed real estate broker or brokerage firm in Tennessee, and where
73 applicable, includes the Broker's affiliated licensees.

74 **2. Agent for the Buyer.** The licensee's company acts as the Buyer's agent, with primary loyalty to the Buyer, and serves as an advocate
75 for the Buyer's best interests. By law, this agency relationship can only be created through a written buyer agency agreement

76 **3. Designated Agent for the Buyer.** The specific licensee assigned by the Managing Broker to act exclusively as the Buyer's agent
77 in this transaction. This designation ensures that, even if another licensee within the same company represents a Seller of interest to the
78 Buyer, the Designated Agent remains fully committed to advocating for the Buyer's best interests. By law, this relationship requires a
79 written agency agreement to be established.

80 **4. Facilitator/Transaction Broker (not an agent for either party).** The licensee does not act as an agent for either party in the
81 transaction. A Facilitator may provide advice to one or both parties but does not serve as a representative or advocate for either side. By
82 law, any licensee or company that has not entered into a written agency agreement with either party is considered a Facilitator or
83 Transaction Broker until an agency agreement is signed.

84 **5. Dual agency.** A licensee may have agreements to act as an agent for multiple parties involved in the same transaction, where
85 those parties have conflicting interests. This arrangement can only proceed if there is full disclosure to all parties involved, and each
86 party provides informed consent.

87 **6. Adverse Facts.** “Adverse Facts” refer to situations or factors, as commonly identified by knowledgeable licensees, that
88 negatively affect a property’s value, significantly compromise the structural soundness of real estate improvements, or pose a
89 substantial health risk to occupants.

90 **7. Confidentiality.** By law, licensees are required to maintain certain information as confidential. This includes any details shared
91 by a consumer that could benefit another party, provided the information was disclosed by the consumer before the licensee
92 established an agency relationship with that other party. Once the licensee informs the consumer about their agency relationship
93 with another party, any information disclosed afterward must be shared with that other party. Buyers acknowledge that sellers or
94 their representatives might not keep the details, terms, or conditions of offers private unless confidentiality is mandated by law,
95 regulation, or a confidentiality agreement between the parties.

96 **B. Duties owed to all Parties to a Transaction.**

97 **In accordance with the My State MLS Broker License Act, all real estate licensees are required to fulfill the following**
98 **obligations to every buyer, seller, tenant, and landlord (referred to collectively as “buyers” and “sellers”), unless otherwise**
99 **stated by law:**

- 100 1. To perform services for all parties involved in the transaction with reasonable skill, care, and diligence;
- 101 2. To inform each party of any known or recognized adverse facts that could impact the transaction;
- 102 3. To uphold the confidentiality of information obtained from any party before the licensee discloses a written agency agreement to
103 represent one or both parties in the transaction. This obligation covers information a party would reasonably expect to remain
104 confidential, except for details the party has authorized to be shared or information required by law to disclose;
- 105 4. To deliver services to all parties in the transaction with honesty and in good faith;
- 106 5. To provide each party with accurate and timely information about market conditions that may influence the transaction, but only
107 if such information is publicly available and requested by the party;
- 108 6. To promptly account for any earnest money deposits and other property received from any party involved in the transaction; and
- 109 7. (A) To avoid self-dealing or representing the interests of the licensee’s immediate family, or any person, organization, or business
110 entity in which the licensee has a personal stake, without first disclosing this interest and obtaining timely written consent from all
111 parties involved in the transaction; and
112 (B) To refrain from recommending the services of any individual, organization, or business entity in which the licensee has a
113 personal interest or from which the licensee may receive a referral fee or other compensation, except for referrals to other licensees
114 for real estate services, without promptly disclosing to the referred party the licensee’s personal interest or potential to receive
115 compensation for the referral.

116 **C. Duties Owed to Client.**

117 **In addition to the above, the Licensee has the following duties to Client if the Licensee has become an agent or**
118 **Designated Agent in a transaction:**

- 119 1. Follow all lawful instructions given by the client, provided those instructions fall within the scope of the agency agreement
120 between the licensee and the buyer/client;
- 121 2. Act with loyalty to the client’s interests, prioritizing the client’s needs above all others during transaction negotiations and
122 related activities, unless such loyalty conflicts with the licensee’s duties to other parties in the transaction; and
- 123 3. Unless specifically waived in writing by the client, the licensee shall assist the client by:
 - 124 A. Coordinating and scheduling property showings on the client’s behalf;
 - 125 B. Receiving all offers and counteroffers and promptly forwarding them to the client;

C. Responding to any questions the client may have during negotiations to help facilitate a successful purchase, within the licensee's scope of expertise; and

D. Providing guidance to the client regarding necessary forms, procedures, and steps required after the purchase agreement is executed to ensure a successful closing of the transaction.

If the client waives any of the duties outlined in subsection 4.C.3., they cannot expect or request assistance from other licensees involved in the transaction for the completion of those duties.

D. Agent Disclosure. In accordance with My State MLS Commission Rule 1260-2-.36, the broker must disclose certain information to the client prior to the execution of this agreement. By signing this agreement, the client acknowledges that the broker has made the following disclosures, and this agreement serves as written confirmation:

During the term of this agreement:

1. The client should refrain from contacting listing agents directly and must coordinate all property viewings and inspections through the broker;
2. If the client interacts with a seller's agent (e.g., during an open house), the client must immediately inform the seller's agent that they are represented by the broker; and
3. Should the client purchase a property covered by this agreement through another real estate licensee, a seller's agent, or directly from a seller, the client acknowledges that they will still owe the broker a commission as specified in this agreement.

E. Buyer's Authorizations.

1. Default to Facilitator. The Buyer grants permission for the Broker and the Selling Licensee (the agent working with the Buyer) to act as a Facilitator (representing neither the Buyer nor the Seller) during property showings, negotiations, or transactions where the Broker also has a representation agreement with the Seller being assisted by the same Selling Licensee. In such cases, the agent will immediately notify both the Buyer and the Seller verbally about the change to Facilitator status, and this notification will be confirmed in writing before the agreement is executed. As a Facilitator, the Broker and their licensee may assist both parties and provide information during negotiations while remaining neutral and refraining from advocating for either the Buyer or Seller.

2. Resumption of Agency Status. If the Broker and Selling Licensee switch to Facilitator status, this role is temporary. The Facilitator role will last only until the specific transaction or intended transaction is resolved, whether through closing, termination, or rejection with no further negotiations. Once the matter is concluded, the Broker and Selling Licensee will immediately revert to their role as the Buyer's Agent.

6. CONFIDENTIALITY.

Information which the Buyer authorizes Broker and Broker's affiliated licensees to disclose which might otherwise be confidential:

7. EARNEST MONEY/TRUST MONEY.

Broker is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed agreement for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

8. LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Buyer acknowledges and agrees that Broker:

A. May show the same properties to other prospective buyers;

B. Is not an expert on matters that could be uncovered through a survey, title search, or inspection, such as the property's insurability or insurance costs, its condition, any geological issues, potential concerns due to failure to inspect before entering into a purchase agreement or closing, the need or cost of repairs, the presence of hazardous or toxic materials, square footage, acreage, utilities, septic systems, community amenities, off-property conditions that may affect the property, proposed or pending condemnation actions, property zoning, school district boundaries, termites and wood-destroying organisms, construction methods, tax or legal implications of a transaction, financing matters, or the appraised or future value of the property. The Buyer understands that the Broker is not an expert in these areas and is advised to seek independent expert advice regarding any of these or other concerns.;

C. The Broker shall have no duties to the Buyer nor any authority to act on behalf of the Buyer, except as outlined in this

Agreement and as specified in the My State MLS Licensee Act of 1973, as amended, and the My State MLS Commission Rules

- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.
- E. **The Broker advises the Buyer that some properties may be equipped with security devices that record physical movements or audio conversations. As such, the Buyer should refrain from making comments regarding the value, features, or condition of the property while viewing it.**

9. SANCTIONED FOREIGN BUSINESSES, GOVERNMENTS, AND NONRESIDENT ALIENS.

The Buyer is hereby informed that, in accordance with Tenn. Code Ann. §66-2-301, et seq., a sanctioned nonresident alien, sanctioned foreign business, or sanctioned foreign government, or their agents, trustees, or fiduciaries, is prohibited from purchasing or otherwise acquiring real property in this state if the country where the sanctioned nonresident alien resides, the sanctioned foreign business is based, or the sanctioned foreign government is located, appears on the U.S. Department of the Treasury's Office of Foreign Assets Control sanctions programs and country information list.

The Buyer warrants that they are not a sanctioned nonresident alien as defined in Tenn. Code Ann. §66-2-301, and is not acting as an agent, trustee, or fiduciary for a sanctioned foreign business or sanctioned foreign government as defined in Tenn. Code Ann. §66-2-301.

10. EXPERT ASSISTANCE.

While the Broker and the Licensees associated with the Broker possess significant general knowledge of the real estate industry and practices, they are not experts in areas such as law, tax, financing, square footage, home inspections, wood-destroying organisms, surveying, structural conditions, geological issues, hazardous materials, engineering, or other specialized fields. The Client acknowledges the Broker's advice to seek professional assistance and expertise in these and other relevant areas as needed. If the Broker or the Licensees associated with the Broker provide recommendations for such services or resources, those services and/or products are not guaranteed or warranted by the Broker or the Licensees associated with the Broker.

11. OTHER PROVISIONS.

- A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be binding upon and benefit the parties, their heirs, successors, legal representatives, and permitted assigns. The Agreement may only be assigned with written consent from both parties. It represents the complete and exclusive understanding between the parties, and no changes to this Agreement will be effective unless signed by all parties or their assigns. No promises, representations, or inducements not included in this Agreement shall be binding. Any assignee must comply with all terms of this Agreement.
- B. **Governing Law and Venue.** This Agreement, concerning buyer's agency representation, shall be governed by the laws of the state of Tennessee and interpreted in its courts.
- C. **Terminology.** For the purposes of this Agreement: (1) singular terms shall be interpreted as plural, and vice versa; (2) pronouns shall include the person, entity, firm, or corporation they refer to; (3) masculine terms shall include the feminine, and vice versa; and (4) the term "day(s)" refers to calendar days ending at 11:59 p.m. local time, unless otherwise stated. Local time is defined by the location of the Firm.
- D. **Severability.** If any part of this Agreement is found to be invalid or unenforceable, that part will be removed, and the remainder of the Agreement will continue in full force and effect.

E. Fair Housing. The Broker and the Broker's affiliated Licensees will provide services impartially, without discrimination based on race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. Any request to engage in discriminatory practices related to the sale, lease, exchange, or option of property will not be accommodated.

LEGAL AGREEMENT. THIS IS AN IMPORTANT LEGAL AGREEMENT THAT ESTABLISHES VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE ANY QUESTIONS REGARDING IT, YOU SHOULD CONSULT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO PROVIDE ADVICE ON THE ADVISABILITY OR LEGAL IMPACT OF ITS TERMS. BY SIGNING THIS AGREEMENT, YOU ARE CERTIFYING THAT YOU HAVE READ, UNDERSTAND, AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIVING A COPY OF THIS AGREEMENT.

EXHIBITS AND ADDENDA. All exhibits and/or addenda attached to this Agreement, listed below, or referenced within this Agreement are incorporated as part of the Agreement.

SPECIAL STIPULATIONS. The following Special Stipulations, if in conflict with any previous section, shall take precedence and control:

The party(ies) below have signed and acknowledge receipt of a copy.

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock am/ pm

Address

Date

Phone: _____

Print/Type Name

Email: _____

The party(ies) below have signed and acknowledge receipt of a copy.

BUYER

BUYER

Print/Type Name

Print/Type Name

_____ at _____ o'clock am/ pm

_____ at _____ o'clock am/ pm

Date

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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