

Kentucky REALTORS® BUYER(S) REPRESENTATION AGREEMENT©

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1. Key Terms:

Buyer Name(s) (full name as required by KRS 382.135(6))

Buyer Name(s) (full name as required by KRS 382.135(6))

Buyer(s)' Agent(s) Name (and KREC License Number)

Buyer(s)' Brokerage Name (and KREC License Number)

Phone Number: _____

Email: _____

Phone Number: _____

Email: _____

Phone Number: _____

Email: _____

Address: _____

Phone Number: _____

The Scope. Buyer hereby engages Broker as Buyer's exclusive agent to identify and to locate Property(ies) during the Term, and to help Buyer negotiate a Contract for the acquisition of Property. This Agreement is for Property(ies) in the following scope (the "Scope") (**complete all that are applicable, and if left blank, then Scope shall be any Property in Kentucky**):

- a. Location/Area/Counties: _____
- b. Approximate price range: _____
- c. Types: _____
- d. Specific Property(ies): _____

Buyer acknowledges that additional Specific Properties may be added to the Scope if Broker identifies in writing (including but not limited to: email, text message, hyperlink, client portal, or other electronic message or format) a specific Property to Buyer during the Term.

The following Property(ies) are excluded from the Scope: _____

In engaging Broker, Buyer represents that Buyer is not currently contracted with and will not through the end of the Term (or Protection Period) contract with another Broker or Agent for the same or similar Scope.

The Term. The term of this Agreement is from _____, 20____, until 11:59 p.m. on _____, 20__ (the "Term"). However, if Buyer enters into a Contract for any Property during the Term, the parties' obligations hereunder shall continue through the Closing of that Contract. Further, if the Buyer enters into a Contract on a Property that falls within the Scope within _____ days (if left blank, then 180 days) after expiration or termination of the Term (the "Protection Period"), Buyer shall remain obligated to pay the Broker Fee(s) through the Closing of that Contract.

Broker Fee(s). No Standard Commission. Buyer acknowledges that real estate brokerage commissions and fees (compensation) are not standard, are not set by law, and are fully negotiable. During the Term (and any Protection Period), Buyer agrees to pay to Broker the following Broker Fee(s) (**select all that are applicable**):

☐ **Percentage:** _____% of either (i) the gross Purchase Price of the acquired Property set forth in the Contract, to be paid at Closing, or (ii) for any transaction involving a lease, the gross rental payments to be made during the term of such leasehold, to be paid at the earlier of execution of the rental agreement or Buyer taking possession of the Property;

☐ **Flat Fee:** _____ Dollars and ____/100 Cents (\$____.00); and/or

☐ **Other Fee(s):** _____ Dollars and ____/100 Cents (\$____.00) as _____ (briefly describe Other Fee(s) to be paid by Buyer).

- a. Method and Amount of Broker Fee(s). During the Term (and any Protection Period), Buyer agrees to pay to Broker a Broker Fee(s) in the amount and at the time set forth above if:
1. Buyer, or any party on behalf of Buyer, Closes on a Property pursuant to a Contract;
 2. fails to close on the acquisition of a Property under said Contract and Buyer is in breach thereof;
 3. during the Protection Period, Buyer enters into a Contract for a Property subject to the Scope and subsequently closes on the acquisition of said Property; or
 4. Buyer breaches this Agreement.
- b. Cooperating Commission. A seller and/or listing broker may, but is not required to, offer compensation to Buyer's Broker or as a Buyer concession (such as, without limitation, as Buyer's Closing costs), and, as a part of any offer made by Buyer, Buyer may request that the Seller, on Buyer's behalf, pay the Broker Fee(s) due under this Agreement at the time of Closing (either case being a "Cooperating Commission"). In either event, these shall not in any way make the Broker in this Agreement the agent or subagent of the Seller (however, dual agency may still apply by separate disclosure and agreement). Further, in the event a Cooperating Commission is offered by the seller or seller's broker, Broker will, to the extent possible before making an offer on behalf of Buyer, notify Buyer of the nature and amount of Cooperating Commission.
- c. In the event Buyer makes an offer involving a Cooperating Commission, the offer shall be deemed by Buyer to authorize Broker to accept, and Broker shall accept, such Cooperating Commission at Closing.
- d. Broker Fee(s) paid by Cooperating Commission. At Closing, the Broker Fee(s) to be paid by Buyer shall be reduced by the amount of Cooperating Commission as follows:
1. In the event the Cooperating Commission is equal to the Broker Fee(s), the payment of the Cooperating Commission shall satisfy in full the Buyer's obligation to pay the Broker Fee(s).
 2. In event the Cooperating Commission is greater than the Broker Fee(s), the maximum Cooperating Commission shall be equal to the Broker Fee(s).
 3. In the event the Cooperating Commission is less than the Broker Fee(s), the Buyer shall pay such difference in immediately available funds at Closing.
- e. This Section 6 survives expiration or termination of the Agreement and Protection Period until Closing on any Property within the Scope. However, if after expiration or termination of this Agreement and Buyer is not otherwise in breach hereof, Buyer enters into another exclusive buyer representation agreement with another broker, then Buyer shall not be required to pay Broker Fee(s) hereunder.

2. Definitions: As used herein, capitalized terms shall have the following meaning:

- Agent*: The licensed Kentucky real estate sales associate identified above as the Agent.
- Agreement*: This Buyer(s) Representation Agreement, including all attachments, exhibits, and addenda incorporated by reference.
- Broker*: The licensed Kentucky real estate broker or brokerage firm identified above as the Broker, and any of Broker's licensed sales associates, including Agent.
- Buyer Broker Commission or Broker Fees*: The commission or fee (compensation) to be paid to Broker pursuant to Section 1 herein and/or any separate agreement between Buyer and Broker.
- Buyer*: The person(s) who are listed as Buyer(s) above and any affiliate of Buyer(s) (such as, without limitation, trust, limited liability company, corporation, etc.) who enters into a Contract for or consummates a Closing on a Property.
- Close or Closing*: The time at which title or possession, as applicable, is conveyed to Buyer.
- Contract*: Any binding agreement between a seller and Buyer by which Buyer intends to acquire a Property.
- Property*: Any interest in real estate in Kentucky, including but not limited to a purchase, lease, exchange, option, or similar interest that Buyer intends to acquire title to or possession of, that is subject to the Scope.

3. Broker and Agent Duties: Subject to the Disclosures set forth below, Broker shall:

- Comply with its duties under Kentucky law, including KRS Chapter 324 and 201 KAR Chapter 11;
- Assist the Buyer in identifying and locating one or more Property to acquire, and to negotiate for Buyer to acquire title to or possession of, as applicable, a Property, including without limitation preparing a Contract and related forms as permitted by Kentucky law;
- To hold any escrow, good faith, or deposit monies in accordance with Kentucky law, including KRS Chapter 324 and 201 KAR Chapter 11 and any Contract between the Buyer and a seller, and that in the event of a conflict between Kentucky law and a Contract, Broker will comply with Kentucky law; and
- Perform any other obligations set forth in this Agreement.

4. Buyer Duties: Buyer shall:

- Cooperate with Broker in the acquisition of Property;
- Pay the Broker Fee(s);

Buyer(s) initials and date/time: ____

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Buyer(s) initials and date/time: ____

- c. Conduct all communications regarding any Property or Contract with the seller and/or seller broker through the Broker;
- d. Timely comply with reasonable requests of Broker to provide information or responses necessary to comply with the terms of a Contract and to Close on the Property;
- e. Cooperate with Broker in scheduling visits, inspections, meetings or similar events of a Property at reasonable times and to attend all such scheduled obligations;
- f. Reasonably, timely, and in good faith investigate and conduct due diligence regarding any matter of interest or concern regarding any Property in which Buyer becomes interested before deadlines set forth in the Contract;
- g. Seek independent advice with respect to zoning, construction, common property regimes, inspections, insurance, surveys, title, appraisals, finance, taxes, mold or hazardous substances, termites, insects, law or any other matter of concern to Buyer;
- h. Fully read this Agreement and any other documentation Buyer is requested to sign, including a draft Contract and any affiliated documents, and to consult with an attorney should Buyer have any questions about such agreements or documents; and
- i. To work exclusively with Broker regarding showings, offers, negotiations, Contracts and Closings, and to inform other brokers, sales associates, or third parties listing or selling a Property that falls within such exclusivity, that Broker exclusively represents Buyer.

5. Disclosures and Acknowledgments: Buyer acknowledges and agrees as follows:

- a. That this Agreement creates an agency relationship between the Buyer and Broker pursuant to under Kentucky law, including KRS Chapter 324 and 201 KAR Chapter 11.
- b. Broker and Agent owe Buyer no duties other than expressly set forth in this Agreement or by Kentucky law.
- c. Receipt of and consent to The Kentucky Real Estate Commission's **"A GUIDE TO AGENCY RELATIONSHIPS"** from Broker, and that Broker and Agent may potentially serve in the various agency capacities disclosed therein.
- d. Receipt of and consent to an **"AGENCY CONSENT AGREEMENT — BUYER"**, Part A, from Broker.
- e. That Federal Fair Housing Law prohibits discrimination in the sale, rental, appraisal, financing, or advertising of housing on the basis of race, color, sex, creed, religion, national origin, handicap or familial status, or sexual orientation, or gender identity (in some counties), and to receipt of a copy of the brochure entitled, **"What Kentucky's Fair Housing Law Means"** from Broker.
- f. Broker shall not have any obligation to search out a Property beyond any that come to the attention of Agent in the ordinary course of Agent's business.
- g. That Broker may represent other prospective buyers or tenants, and that those other buyers or tenants may have an interest in the same property(ies) as Buyer. Buyer agrees that Broker may, during the Term and after its expiration or termination, respect other such prospective buyers or tenants, show them the same property(ies) that Broker identifies, locates or shows to Buyer, and act as a real estate broker or sales associate for such parties in negotiating the acquisition of a Property that Buyer is also interested in.
- h. Broker is not responsible to monitor or supervise any portion of any construction or repairs to any Property as such tasks fall outside the scope of KRS Chapter 324 and 201 KAR Chapter 11.
- i. Buyer shall be responsible for complying with the duties and deadlines contained in any Contract or other document or agreement entered into by Buyer.
- j. There shall be no knowledge imputed between the Broker, Agent, and between any other sales associates of Broker regarding any Property in which Buyer develops an interest.
- k. Broker and Agent are not experts with respect to construction, building codes, common property regimes, engineering, structural matters, insurance, surveys, titles, inspections, appraisals, finance, mold or other hazardous substances, termites, insects, law, tax, or other matters and Buyer has been advised to and agrees to seek independent or professional expert advice relative any of these matters.
- l. Broker strongly recommends that the Client seek representation by an attorney for legal questions regarding the acquisition of any Property.
- m. In the event the Broker provides names or sources of independent or professional expert advice or legal advice or assistance, the Client understands and acknowledges that the Broker does not warrant, guarantee, or endorse the services, advice, and/or products of any recommended company or services.
- n. Broker makes no warranties expressed or implied with regard to any Property and that any statements by Broker about any Property will be and are opinion only.
- o. Broker does not and cannot warrant exact square footage or condition of any Property or guarantee that a potential seller has disclosed all defects in a Property.
- p. Megan's Law. Broker has no obligation to determine if any sex offender resides near a property in which Buyer is interested. Buyer should exercise whatever due diligence Buyer deems necessary with respect to information on any convicted sex offenders. Kentucky's Megan's Law establishes a registry of certain convicted sex offenders, which can be found at <http://kspso.state.ky.us/>. Kentucky's State Police establishes a registry of certain convicted crimes. The registry can be found at <https://www.crimemapping.com/>. Broker has no obligation to determine if any crime has occurred near a property in which Buyer is interested.

- q. Wire Fraud. Buyer should never transmit nonpublic personal information, such as credit or debit card, bank account or routing numbers, by email or other unsecured electronic communication. There are numerous e-mail phishing scams that involve fraudulent requests to wire funds in conjunction with a real estate transaction. If Buyer receives any electronic communication directing the transfer of funds or to provide nonpublic personal information, even if that electronic communication appears to be from a representative of Broker, do not respond. Such requests, even if they may otherwise appear to be from Broker, could be part of a scheme to defraud Buyer by misdirecting the transfer of funds or using Buyer's identity to commit a crime. If Buyer should receive wiring instructions via electronic means that appear to be from a legitimate source involved in Buyer's real estate transaction, Buyer should verify - using contact information other than that provided in the communication - that the instructions were sent by an actual representative of the requesting company. Conversely, if Buyer has provided wiring instructions to a third party, it is important to confirm with the representative of said company that the wire instructions are not to be substituted without Buyer's verified written consent. When wiring funds, never rely exclusively on an email, fax, or text communication.

6. Termination:

- a. Either party can terminate this Agreement with ten (10) days written notice; provided, however, in the event Buyer terminates this Agreement, Buyer shall still owe a Broker Fee(s) to Broker with respect to any Property within the Scope if Buyer enters into a Contract for during the Protection Period.
- b. Attorney's Fees, Costs and Expenses: In the event of any claim, controversy or dispute arising out of or concerning this Agreement, including, without limitation, a breach of contract by Buyer and commission claims brought by Broker, the prevailing party shall be entitled to recover from the non-prevailing party such prevailing party's reasonable attorney's fees, costs, and expenses, including any professional or expert costs or fees incurred in litigation. In the event of a dispute, the parties agree to engage in non-binding mediation with the Mediation Center of Central Kentucky, or another mediator pursuant to the parties' agreement. The parties shall equally share in the cost of the mediator. Further, if any party files litigation before mediation, this mediation provision shall be enforced by the Court before the litigation is permitted to proceed.

This Agreement is accepted by Buyer(s), Broker and Agent, and is effective as of the last date/time signed by a party hereto.

Buyer Signature) Date/time

Buyer Signature Date/time

Broker Signature Date/time

Agent Signature Date/time