RLS AT REBNY

Seller – Buyer's Broker Compensation Agreement Checklist

TOPICS / SECTIONS	SUGGESTED LANGUAGE	Date Revised / Notes
Parties	This Compensation Agreement (the "Agreement") is made and entered into this ____ day of _____, 20__ (the "Effective Date") by and between _____ ("Seller") and _____ ("Buyer's Broker") a licensed New York State Real Estate Broker represented by _____ ("Agent").	
Introductory Provisions	WHEREAS, Seller is the owner of property located at _____ ("Property"); and WHEREAS, Seller is offering the Property for sale with _____ ("Listing Broker"); and WHEREAS, Buyer's Broker represents _____ ("Buyer"); WHEREAS, Seller has listed the Property for sale on the Real Estate Board of New York Residential Listing Service (the "RLS") through Listing Broker and; WHEREAS, Seller is offering compensation to a participant on the RLS who is the procuring cause of a Buyer for the Property; NOW THEREFORE, in consideration of the mutual covenants and obligations hereinafter contained, the parties hereby agree as follows:	
Compensation	If Buyer enters into a contract to purchase, exchange, or option ("Purchase Agreement") the Property from Seller, Seller agrees to pay Buyer's Broker compensation in an amount equal to _____ % of the sales price for the Property or $_____ (the "Commission"). The Commission shall be paid by Seller to Buyer's Broker at the time of closing of the Property. Such payment shall be in the form of a certified check made payable to Buyer's Broker or by wire transfer from Seller to Buyer's Broker.	
Compensation is Negotiable and Not Fixed	The amount or rate of compensation paid to Buyer's Broker is not set or fixed by law, and is fully negotiable and.	
Willful Default	Notwithstanding anything in this Agreement to the contrary, if (A) Seller defaults under the Purchase Agreement or voluntarily releases Buyer from its obligations under any Purchase	

	Agreement, then Buyer's Broker shall be entitled to payment of the full amount of the Commission and (B) if Buyer defaults under a Purchase Agreement and Seller is entitled to retain all or any portion of the down payment made by such Buyer pursuant to such Purchase Agreement, then Buyer's Broker shall be entitled to an amount equal to the lesser of (aa) 10% of the amount that Seller is so entitled to retain or (bb) the Commission, payable by Seller when the proceeds of such down payment are released from escrow.	
Buyer Agency	This Agreement is a Compensation Agreement only. Seller acknowledges that Buyer's Broker is acting solely as the agent of Buyer and Buyer's Broker is not representing Seller in regard to the Property or in any other manner.	
Duties	Notwithstanding the fact that there is no agency relationship between Seller and Buyer's Broker, in dealings with Seller, Buyer's Broker has an obligation to: (a) exercise reasonable skill and care in performance of Buyer's Broker's duties; (b) deal honestly, fairly and in good faith; and, (c) disclose all facts known to Buyer's Broker materially affecting Buyer's ability and/or willingness to perform a contract to acquire Seller's property that are not inconsistent with Buyer's Broker's fiduciary duties to Buyer.	
Dispute Resolution – Arbitration	Any claims, disputes or other matters in question between the parties arising out of or relating to this Agreement shall be submitted to and determined pursuant to binding arbitration conducted under the arbitration procedures of the Real Estate Board of New York ("REBNY").	
Modification of Agreement	This Agreement cannot be modified orally. Any changes must be set forth in a separate written agreement signed by all of the parties to this Agreement.	
Entire Agreement	All prior understandings and agreements between Seller and Buyer's Broker are merged in this Agreement and this Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.	
Attorney's Fees	In any proceeding, action, or arbitration to enforce any provision of this Agreement, or for damages caused by any default hereunder, the prevailing party shall be entitled to reasonable attorney's fees, costs and related expenses, including, but not limited to, expert witness fees.	

Governing Law	This Agreement will be governed by, and interpreted in accordance with, the laws of the State of New York.	
Conclusion	IN WITNESS WHEREOF, the parties intending to be legally bound have caused this Agreement to be signed as of the date set forth above.	