



What benefit do I receive with a buyer representation agreement?

A: A **buyer representation agreement** creates an employment between a buyer and a real estate broker for services to acquire ownership of real estate.

The buyer benefits by entering into an exclusive buyer representation agreement, as a broker and their agents agree to:

- act as the buyer's fiduciaries to conscientiously counsel the buyer on all factors affecting the acquisition of a property;
- diligently achieve the buyer's objective to locate and acquire property on the best terms negotiable; and
- prioritize services as the sole broker representing the buyer.

The broker and their agents benefit from an exclusive buyer representation agreement as the buyer commits to:

- involving no one to independently compete with the broker to meet the buyer's acquisition objectives;

- cooperating fully with the broker and their agent in a collaboration to locate and acquire the property sought; and
- assuring the broker a fee when earned, payable by the seller on the buyer's acquisition of the type of property sought.

An exclusive buyer representation agreement outlines and clarifies the broker and agent's duties to the buyer. The agreement clearly states what is expected from each participant.

While the buyer agrees to pay their buyer broker fee, all broker fees are included in the purchase price a buyer pays to acquire a property, not in addition to the price.

Thus, the broker fee provision in the buyer representation agreement adds no cost of acquisition a buyer pays upon acquiring property of the type sought.