



## Buyer Agency Agreement Broker Representation of Buyer in Maryland and Washington, DC

This Agreement is made on \_\_\_\_\_ between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Broker") and which assigns Prudential Carruthers Realtors Real Estate Inc as Agent of the Broker. Jesse Kaye

In consideration of the services and facilities, the Broker is hereby granted the right to represent the Buyer in the acquisition of real property, which shall include cooperatives. As used in this Agreement, "acquisition of real property" shall include any purchase, option, exchange, or lease of property. The term Seller shall include lessor, optioner and exchanger. The term Buyer shall include lessee, optionee and exchangee.

1. **TERM:** This Agreement commences when signed and expires at midnight on 90 days after signing ("Expiration Date").

2. **PROPERTY SOUGHT BY BUYER:** The property shall substantially meet the following requirements:

- |                                                        |                                                              |
|--------------------------------------------------------|--------------------------------------------------------------|
| <input type="checkbox"/> Maryland Residential Property | <input type="checkbox"/> Washington, DC Residential Property |
| <input type="checkbox"/> Maryland Commercial Property  | <input type="checkbox"/> Washington, DC Commercial Property  |

3. **BUYER RESPONSIBILITIES:**

- A. **Exclusive Relationship with Broker:** Buyer will work exclusively with Broker during the term of this Agreement;
- B. **Financial Information:** Buyer will furnish Broker with necessary financial and personal information to reasonably establish Buyer's ability to purchase property.
- C. **Signs or Advertisements for Property:** If Buyer sees any signs or advertisements for properties being offered for sale, Buyer will not contact the Seller or agent of the Seller but will first contact Agent named herein, who will provide information about the properties and then make arrangements to see them.
- D. **New Home Builders and Open Houses:** In order to avoid the possibility of confusion over the agency relationship and misunderstandings about liability for compensation, Buyer agrees not to make a first visit to any new home builder's model nor contact any other agents representing sellers of new homes without being accompanied by Agent. Also Buyer agrees not to enter "Open House" properties unless accompanied by Agent or after having had Agent make arrangements with the Listing Broker.

4. **BROKER RESPONSIBILITIES:** The Agent and Broker agree to:

- A. Use professional knowledge and skills to locate and present real property, which is available for purchase and suitable for the Buyer's needs.
- B. Assist Buyer through the process of property acquisition.
- C. Represent the interests of the Buyer in all negotiations and transactions regarding the acquisition of real property.

5. **AGENCY:** The State of Maryland and Washington, DC have each adopted specific laws governing the disclosure of agency relationships and dual agency (i.e., the situation where the listing and selling agents are associated with the same broker). For this reason, all applicable jurisdictional Agency disclosure forms have been made available to Buyer who acknowledges receipt of those checked below:

**Maryland:**

- Understanding Whom Real Estate Agents Represent
- Consent For Dual Agency

**Washington, DC**

- Consent for Dual Representation and Designated Representation

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6. **DUAL AGENCY:** In the event of dual agency, when either the Buyer or Broker declines to consent in writing to Dual Agency, either party may terminate this Agreement by written notice to the other party. If Buyer terminates, Broker shall be entitled to compensation based on an hourly rate of \$ zero dollars (\$0) for time spent up to and including date notice of termination is received by Broker. If Broker terminates, no fee shall be paid to Broker **and any advance fees paid under 7A below shall be refunded to Buyer.**

7. **BROKER COMPENSATION:**

A. **Advance Fee:** Upon all parties signing this Agreement, Buyer has paid an advance fee of \$ zero dollars (\$0) to retain the services of Broker. This advance fee will be placed in the broker's non-interest bearing escrow account in accordance with the law of the appropriate jurisdiction and will be credited against the gross fee (see 7B below) to be paid in accordance with the terms hereof.

B. **Payment to Broker by Flat Fee or Percentage of Sales/Leasing Price:**

Buyer agrees to pay to Broker a fee of \$ \_\_\_\_\_, or, 3.000 % of the purchase price (or, in the case of a tenant, \_\_\_\_\_ months rent payable at the time of lease signing), of any real property purchased/leased by or for the Buyer during the term of this Agreement. Further, such Broker's fee shall be paid if a Property is purchased by Buyer within 60 days after the "Expiration Date" or after termination of this Agreement (the "Protection Period"), unless a valid buyer's agency agreement is entered into during the term of said Protection Period with another licensed real estate broker.

C. **Fee Paid By Seller:** In many cases, the fee specified in 7B above may be paid by the Seller. These cases would include the following:

- 1) When Broker is offered compensation as a portion of the commission offered in MRIS by the Listing Broker to a Buyer's Broker, (in the "Buyer Agent Compensation" field or as abbreviated in listing print outs), the Contract of Sale authorizes the settlement entity to pay that portion to the Broker;
- 2) Where property is not listed by MRIS, an Addendum to a contract to purchase would specify payment of compensation to the Broker from the Seller; or
- 3) Where a new home builder makes an offer of compensation in a registration form or other document, the builder's Contract of Sale would specify payment of compensation to the Broker by the builder.

Broker is authorized to receive all or a portion of the fee from the Listing Broker or Seller and any such amounts shall be applied toward Buyer's obligation under 7B. The amount of any such payment made by Seller or Listing Broker shall be with the Seller's and Buyer's prior knowledge and consent and shall in no way affect the obligation of the Buyer's Agent to act on behalf of the Buyer in the transaction.

D. **Difference between offers of compensation and amount agreed upon with Broker:** In the event the amount of compensation offered by the Listing Broker or a Seller, as provided in Paragraph 7C is less than the amount as specified in Paragraph 7B, Buyer agrees to pay the difference between the amount offered by the Listing Broker and/or the Seller and the amount which Buyer has agreed to pay to Broker pursuant to Paragraph 7B. In the event the amount of compensation offered to Broker by a Listing Broker and/or Seller is in an amount greater than that specified in Paragraph 7B, then, in such event, Buyer authorizes Broker to receive such compensation and to retain any such additional compensation without pro ration or rebate to Buyer.

E. **Payment of Broker's Fee:** Payment of Broker's Fee is due at Settlement. Settlement is a condition precedent to Buyer's obligation to pay the Broker's Fee unless Buyer, after contract acceptance, fails to perform or is otherwise in default of the sales contract. In such case, the Broker's fee in its entirety as specified in 7B is due from the Buyer no later than the agreed Settlement Date.

F. **Default by Seller:** If Buyer enters into a contract with a Seller during the original term of this Agreement, and Seller subsequently defaults, then the original term of this Agreement is extended by the number of days property was under contract.

8. **TERMINATION:** This Agreement may be terminated prior to the expiration date only by mutual written Agreement of the Parties.

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STATE OF MARYLAND  
REAL ESTATE COMMISSION

## Understanding Whom Real Estate Agents Represent

Before you decide to sell or buy or rent a home you need to consider the following information:

### Agents Who Represent the Seller

**Seller's Agent:** A seller's agent works for the real estate company that lists and markets the property for the sellers or landlords, and exclusively represents the sellers or landlords. That means that he or she may assist the buyer or tenant in purchasing or renting the property, but his or her duty of loyalty is only to the sellers or landlords. The seller pays the seller's agent's fees as specified in a written listing agreement.

**Cooperating Agent:** A cooperating agent works for a real estate company different from the company for which the seller's agent works. The cooperating agent can assist a buyer or tenant in purchasing or renting a property, but his or her duty of loyalty is only to the sellers or landlords. The cooperating agent's fee is paid by the sellers or landlords through the seller's agent's company.

### Agents Who Represent the Buyer

**Presumed Buyer's Agent (no written agreement):** When a person goes to a real estate agent for assistance in finding a home to buy or rent, the agent is presumed to be representing the buyer and can show the buyer properties that are *not* listed by the agent's real estate company. A presumed buyer's agent may *not* make or prepare an offer or negotiate a sale for the buyer. The buyer does *not* have an obligation to pay anything to the presumed agent.

If for any reason the buyer does not want the agent to represent him or her as a presumed agent, either *initially* or *at any time*, the buyer can decline or terminate a presumed agency relationship simply by saying so.

**Buyer's Agent (by written agreement):** A buyer or tenant may enter into a written contract with a real estate agent which provides that the agent will represent the buyer or tenant in locating a property to buy or rent. The agent is then known as the buyer's agent. That agent assists the buyer in evaluating properties and preparing offers, and negotiates in the best interests of the buyer or tenant. The agent's fee is paid according to the written agreement between the agent and the buyer or tenant. If you as a buyer or tenant wish to have an agent represent you exclusively, you must enter into a written buyer agency agreement.

### Dual Agents

The possibility of **dual agency** arises when the buyer's agent and the seller's agent both work for the same real estate company, and the buyer is interested in property listed by that company. The real estate company, or broker, is called the "dual agent". Dual agents do not act exclusively in the interests of either the seller or buyer, or landlord or tenant, and therefore cannot give undivided loyalty to either party. There may be a conflict of interest because the interests of the seller and buyer may be different or adverse.

**If both seller and buyer, or landlord and tenant, agree to dual agency** by signing a Consent For Dual Agency form, then the real estate company (the "dual agent") will assign one agent to represent the seller or landlord (the seller's "intra-company agent") and another agent to represent the buyer or tenant (the buyer's "intra-company agent"). Intra-company agents may provide the same services to their clients as exclusive seller's or buyer's agents, including advising their clients as to price and negotiation strategy, provided the clients have both consented to be represented by dual agency.

**If either party does not agree to dual agency**, the real estate company may withdraw the agency agreement for that particular property with either the buyer or seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by an agent from another real estate company. If the buyer's agreement is terminated, the buyer or tenant may choose to enter into a written buyer agency agreement with an agent from a different company. Alternatively, the buyer or tenant may choose not to be represented by an agent of his or her own but simply to receive assistance from the seller's agent, from another agent in that company, or from a cooperating agent from another company.

No matter what type of agent you choose to work with, you have the following rights and responsibilities in selling or buying or renting property:

>Real estate agents are obligated by law to treat all parties to a real estate transaction honestly and fairly. They must exercise reasonable care and diligence and maintain the confidentiality of clients. They must not discriminate in the offering of properties; they must promptly present each written offer or counteroffer to the other party; and they must answer questions truthfully.

>Real estate agents must disclose all material facts that they know or should know relating to a property. An agent's duty to maintain confidentiality does not apply to the disclosure of material facts about a property.

>All agreements with real estate agents should be in writing and should explain the duties and obligations of the agent. The agreement should explain how the agent will be paid and any fee-sharing agreements with other agents.

>You have the responsibility to protect your own interests. You should carefully read all agreements to make sure they accurately reflect your understanding. A real estate agent is qualified to advise you on real estate matters only. If you need legal or tax advice, it is your responsibility to consult a licensed attorney or accountant.

Any complaints about a real estate agent may be filed with the Real Estate Commission at 500 North Calvert Street, Baltimore, MD 21202. (410) 230-6200.

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This notice is information required by law and is NOT A CONTRACT

We, the  Sellers/Landlord  Buyers/Tenants acknowledge receipt of a copy of this disclosure and

that Prudential Carruthers Realtors (firm name)

And Jesse Kaye (salesperson) are working as:

- Seller/landlord's agent
- Cooperating agent
- Buyer's agent
- Dual agent (See Consent for Dual Agency form)  
(you may check more than one box)

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

I certify that on this date I made the required agency disclosure to the individuals identified below and they were unable or unwilling to acknowledge receipt of a copy of this disclosure statement.

Jesse Kaye  
Signature of agent Date

\_\_\_\_\_  
Name of individual to whom disclosure was made

\_\_\_\_\_  
Name of individual to whom disclosure was made



## Some Information Relative to the Purchase of Real Estate For use in Montgomery County and the District of Columbia

**This information is to assist Buyers in the purchase of residential real property. The contents are not all-inclusive and are provided for informational purposes only.**

- 1. Legal Requirements:** All contracts for real property are required to be in writing to be legally enforceable. There is a "Maryland Association of Realtors (tm) Residential Contract of Sale" (MAR) for use in Maryland or the "Regional Sales Contract" (Regional) for use in Maryland and the District of Columbia. Appropriate jurisdictional addenda are required with each contract. Buyers have the right to have legal counsel review these forms. All written offers are to be presented to the Seller.
- 2. Agency Relationships:** Buyers must be provided a written disclosure about agency relationships on forms specified by the State of Maryland and/or the District of Columbia, as applicable. If Buyers desire to have an agent represent them, they must have a written Buyer agency agreement.
- 3. Fair Housing:** In compliance with federal fair housing regulations, properties shall be made available to all persons without regard to race, color, religion, national origin, sex, handicap and familial status. The District of Columbia recognizes age, marital status, physical handicap, sexual orientation, family responsibilities, matriculation, political affiliation, source of income, place of residence or business, and personal appearance as protected classes in addition to the federal protected classes. Maryland recognizes marital status, physical/mental handicap, and sexual orientation as protected classes in addition to the federal protected classes. In Montgomery County, protected classes in addition to those of federal and the State of Maryland include source of income, age and ancestry.
- 4. Land Use:** Land uses may be restricted on some properties by covenants, easements, zoning, subdivision regulations, historic preservation regulations, environmental laws, airport noise, planned land uses, road or highway rights of way, federal, state, county and/or local or municipal restrictions or statutes, or other regulations. Information may be procured through government agencies and a title search for recorded land use restrictions prior to making an offer to ascertain how such restrictions may impact use of the property.
- 5. Property Taxes:** (A) **Tax Bill Increases.** Your property tax bill could substantially increase following transfer of title. For owner occupied properties, both Maryland and the District of Columbia have programs which limit the amount that taxes on real property can increase from one year to the next. Once the property transfers to a new owner, these limits are removed for the fiscal year following transfer of title, which may result in a significant increase in the tax bill. (B) **Right of Appeal.** You have the right to appeal the next year's property tax assessment within strict timeframes following transfer of title. For more information on property taxes, appealing assessments, and the availability of tax credits, contact the Maryland State Department of Assessments and Taxation and/or the Montgomery County Department of Finance for Maryland properties, or the Office of Tax and Revenue for District of Columbia properties.
- 6. Inspections:** Buyers may include in their purchase offer the right to employ a professional engineer, home inspection specialist, environmental firm or other expert(s) of their choice to inspect the property for possible hazardous substances, building material concerns and defects. Hazardous substances and building materials of concern may include, but are not limited to, asbestos, cleaning chemicals, indoor pollutants, lawn and garden chemicals, lead, mold spores, paint, radon, radium, fire retardant treated plywood (FRT), polybutelene pipes, and synthetic stucco (EIFS). Other factors may include contaminated groundwater, nearby landfills and other disposal sites, industrial sites, and noxious air or aircraft over flight noise. Agents do not have the technical expertise to advise Buyers of the presence of such factors, or whether or not they pose a problem. Buyers can obtain information from a home inspection specialist, environmental specialists, the U.S. Environmental Protection Agency, the Maryland Department of the Environment, U.S. Army Corps of Engineers, Maryland-National Capital Park and Planning Commission, District of Columbia Department of the Environment and other governmental agencies.

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7. **Mold:** The Listing Broker may list properties and the Selling Broker may show properties that contain mold. Molds are a type of fungus, some of which may potentially cause harm to humans. The Brokers are not experts with regard to mold or the health effects of mold exposure. Accordingly, if the Buyer has a concern, it is the responsibility of the Buyer to retain appropriate professionals to inspect property that the Buyer may purchase to determine the presence of any mold.

8. **Financing:** Mortgage rates and fees vary with financial institutions and fluctuations in the market. Buyers have the right to select the lender and the right to negotiate the terms of their financing and the conditions of their loan. Consult lenders or visit the following web sites for first time home buyer and other special programs, [www.montgomerycountymd.gov](http://www.montgomerycountymd.gov) or [www.dc.gov](http://www.dc.gov) in the District of Columbia.

9. **Warranty:** A number of companies provide home warranties/service contracts on systems, appliances, etc. Agents can provide information on companies that provide such service.

10. **Homeowner's Insurance:** Homeowner insurance rates and availability are determined in part by the number and nature of claims and inquiries made on a property's policy as well as the number and nature of claims made by a prospective Buyer. Buyer should consult insurance carriers as soon as possible.

11. **Criminal Activity and Sexual Offender:** Buyer may contact the state, county or municipal police departments in which the Property is located or check the Maryland Department of Public Safety and Correctional Services website or the District of Columbia Police Department website in order to ascertain criminal activity in the vicinity of the Property or the presence of registered sexual offenders who live or work within the vicinity of a property. Buyer acknowledges that Buyer is solely responsible to inquire of such matters before signing a contract. Buyer shall have no right to cancel a contract based upon criminal activity or the presence of registered sexual offenders in the vicinity of a property. Buyer further acknowledges that no real estate licensee involved in the sale or purchase of a property, whether acting as the agent for Seller or Buyer, has any duty nor assumes any duty or responsibility to ascertain criminal activity or the presence of registered sexual offenders in the vicinity of the Property

#### SPECIFIC TO DISTRICT OF COLUMBIA

12. **Property Condition Disclosure:** With limited exceptions, Sellers are required by law to provide Buyers with a standard property condition disclosure prior to or at the time of ratification of a sales contract. Should such disclosure not be provided, the Buyer shall have the right to void said contract. The disclosure is not a substitute for an inspection by an engineer, home inspection specialist or environmental firm, and Buyers may wish to obtain such an inspection. Note that even without such disclosure the Seller is obligated to disclose known material defects.

13. **Homeowner's Associations, Condominiums, Cooperatives Disclosure:** In the case of a condominium unit resale, the Seller must provide the Buyer with the Condominium Instruments and Certificate ("information package") on or prior to the tenth business day following ratification of the Contract. The Buyer is entitled to a mandatory review period of three business days following receipt of the information package, during which time the Buyer will have the right to void the contract. Should the Seller fail to deliver the Instruments and Certificate to the Buyer within ten business days of ratification, the Buyer shall have the option to void the contract at anytime thereafter until the time of settlement but no later than 3 business days following actual receipt of the information package as outlined above. This right cannot be waived.

If a property is part of a cooperative or a development which has the right to impose a mandatory fee, the Buyer can request the Seller, as part of the contract, to provide relevant information. Such information may include, but is not limited to, the specific fees involved as well as a package of covenants, restrictions, bylaws and financial information.

14. **Tenancy Rights:** If a property is tenant occupied, the tenants qualify under the Tenant Opportunity to Purchase Act to match a bona fide offer by a third party. It is important to understand the complexities of a tenant-occupied sale prior to making an offer.

15. **Transfer and Recordation Fees:** The DC Recordation Tax is the responsibility of the Buyer, and DC Transfer Tax is the responsibility of the Seller, unless otherwise negotiated in the sales contract.

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**16. The Domestic Partnership Equality Amendment Act of 2006:** DC Code Section 15-502, states that "A mortgage, deed of trust, assignment for the benefit of creditors, or bill of sale upon exempted articles is not binding or valid unless it is signed by the spouse or domestic partner of a debtor who is living with his or her spouse or domestic partner." A domestic partnership must be registered with the DC Department of Health. It will be the responsibility of the buyer to ensure compliance with their lender's requirements and any impact this law may have thereon.

**SPECIFIC TO MONTGOMERY COUNTY**

**17. Government Regulations Disclosure:** Sellers are required to disclose to the best of their knowledge specific facts relevant to, or affecting any property, whether imposed by law or regulation or any common law principle. Completed and signed "Government Regulations, Easements and Assessments Disclosure and Addendum" shall be available prior to making a purchase offer and is required to be part of the sales contract.

**18. Property Condition Disclosure/Disclaimer:** Buyers are entitled, with limited exceptions, to receive the completed Maryland Residential Property Disclosure or Disclaimer Statement. The Seller has the option whether to disclose or disclaim. The disclosure portion of the form requires the Seller to provide information, of which the Seller has actual knowledge regarding the condition and age of various systems and the structure, and information about factors which impact the property. A Seller's execution of the disclaimer portion of the form does not mean the sale is "as is." The Disclosure/Disclaimer form states that the property conveys "as is" except as provided in the sales contract. The Disclosure is not a substitute for an inspection.

**19. Land Use Plans:** Properties may have special restrictions on land uses and physical changes. Buyers may review the County master plan, adopted amendments, and approved official maps showing planned land uses, roads, and highways, parks and other public facilities and any applicable municipal plan to understand how recorded covenants, easements, zoning, subdivision regulations, County historic preservation regulations, environmental laws, planned land uses, road or highway right of ways, local restrictions, statutes, or other regulations affect a particular property. County master plans can be viewed at the Maryland-National Capital Park and Planning Commission, 8787 Georgia Avenue, Silver Spring, MD 20910. Local/municipal plans are available at the municipal offices. For a list of municipalities, their telephone numbers and web sites, go to the Resources link on [www.gcaar.com](http://www.gcaar.com) or to [www.montgomerycountymd.gov](http://www.montgomerycountymd.gov).

**20. Transfer and Recordation Fees:** Maryland law requires that, unless otherwise negotiated in the sales contract, the cost of any recordation tax or State and County transfer tax shall be shared equally between Buyer and Seller. In the event the Buyer is a First Time Maryland Owner Occupant Home Buyer, the law waives the Buyer's portion of the State transfer tax.

**21. Homeowner's Associations, Condominiums, Cooperatives and Developments with Restrictions:** If a property is part of a condominium, cooperative or a development which has rights, such as but not limited to, the right to impose a mandatory fee, the Buyer will be provided a package of covenants, restrictions, by laws and financial information as well as a mandatory review period.

I/we acknowledge receipt of this notice from Jesse Kaye (Agent), affiliated with Prudential Carruthers Realtors Real Estate, Inc. (Broker)

Phone(s): \_\_\_\_\_

\_\_\_\_\_  
Buyer (printed name) Date

\_\_\_\_\_  
Buyer (printed name) Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

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