

REAL ESTATE BROKERAGE COMPENSATION AGREEMENT

THIS IS A LEGALLY BINDING AGREEMENT - READ CAREFULLY BEFORE SIGNING

This Real Estate Brokerage Compensation Agreement (the "Agreement") is between _____ (the "Seller's Brokerage") and _____ (the "Buyer's Brokerage") in contemplation of a potential real estate transaction between _____, as Buyer, and _____ as Seller, regarding the Property located at _____ (the "Property").

1. **Term.** This Agreement is effective as of the date it is signed by all authorized signers for the Seller's Brokerage and Buyer's Brokerage and terminates on _____ (End Date) (the "Term Period"). In the event this Agreement expires while the Property is under contract to be sold between Buyer and Seller, the Seller's Brokerage and Buyer's Brokerage mutually agree that the Term Period shall automatically extend until the under-contract transaction closes or is cancelled.
2. **Compensation from Seller's Brokerage.** This Agreement between the Seller's Brokerage and Buyer's Brokerage authorizes the escrow/closing office to disburse the payment of compensation directly to the Buyer's Brokerage as follows:

 \$ _____ or _____ % of the [] gross or [] net acquisition price of the Property. Net acquisition price is the gross acquisition price minus Buyer upgrades (new construction) and Seller concessions (any special financing or sale concessions that are agreed to by Seller to Buyer). If no box is checked, then the parties agree that compensation shall be based on the gross acquisition price of the Property.
3. **Provisions of Buyer's Buyer-Broker Agreement.** Buyer's Brokerage has a written buyer-broker agreement that obligates Buyer to compensate Buyer's Brokerage. Buyer and Buyer's Brokerage agree that Buyer's obligation may be satisfied by a third party, including the Seller's Brokerage. Buyer's Brokerage may not accept compensation from any source(s) that is greater than Buyer's obligation under the buyer-broker agreement.
4. **Provisions of Seller's Listing Agreement.** Seller's Brokerage has a listing agreement with Seller that authorizes the Seller's Brokerage to offer and enter into a compensation agreement with the Buyer's Brokerage.
5. **Condition of Payment.** The payment of compensation by the Seller's Brokerage is conditioned upon a successful closing of the real estate transaction between Buyer and Seller and shall be due at the closing as defined in the purchase agreement between Buyer and Seller.
6. **Arbitration and Attorney's Fees and Costs.** Any dispute arising out of this Agreement shall first be submitted to arbitration in accordance with the National Association of REALTORS® (the "NAR") Code of Ethics and Arbitration Manual ("Manual"). By signing this Agreement, any non-NAR members consent and agree to participate in arbitration under the NAR Manual and be bound by the arbitration panel's decision. In the event of litigation to enforce any arbitration award or to compel arbitration under the NAR Manual, the prevailing party shall be entitled to recover its attorneys' fees and costs. However, attorneys' fees will not be awarded for participation in arbitration and/or mediation.
7. **Entire Agreement.** This Agreement contains the entire agreement between the parties relating to the subject matter of this Agreement. This Agreement supersedes and replaces any previous compensation agreements, either verbal or written, between Seller's Brokerage and Buyer's Brokerage for the Property. This Agreement may not be modified or amended except in writing signed by the parties hereto.
8. **Governing Law.** This Agreement shall be governed, construed, and interpreted by, through and under the Laws of the State of Utah.
9. **Additional Terms.** _____

THE UNDERSIGNED hereby agree to the terms of this Agreement.

Seller's Brokerage

Buyer's Brokerage

(Signature of Authorized Seller's Agent or Broker) (Date)

(Signature of Authorized Buyer's Agent or Broker) (Date)

Acknowledgement of Receipt

Seller and/or Buyer's signature below acknowledges Seller and/or Buyer has received a copy of this Agreement.

Seller

Buyer

(Signature(s) of Seller) (Date)

(Signature(s) of Buyer) (Date)

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