

## ADDENDUM TO NON-EXCLUSIVE BUYER BROKER AGREEMENT (Subagency)

**THIS IS AN ADDENDUM** to the Non-Exclusive Buyer Broker Agreement entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ as Buyer and \_\_\_\_\_ as the Company (a copy of the Buyer Broker Agreement is attached hereto) regarding the property more particularly described as follows: \_\_\_\_\_ (the "Property"). To the extent any term(s) of the Addendum conflict with or modify any term(s) of the Buyer Broker Agreement, the terms of this Addendum shall control. Buyer and the Company agree as follows:

**SECTIONS 2 and 5** of the Non-Exclusive Buyer Broker Agreement are hereby deleted in their entirety and are replaced with the following language:

**1. BROKERAGE FEE.** If, during the Initial Term, or any extension of the Initial Term, the Buyer, or any other person acting in the Buyer's behalf, acquires an interest in any real property on which: (a) the Buyer's Agent; (b) the Principal/Branch Broker for the Company (the "Broker"); or (c) another real estate agent affiliated with the Company (appointed to represent the Buyer as provided in Section 2 below as an "Affiliate") negotiates a transaction on the Buyer's behalf, the Buyer agrees to pay to the Company a brokerage fee in the amount of \$ \_\_\_\_\_ or \_\_\_\_\_% of the acquisition price of the property. If the Property acquired by the Buyer is listed with a brokerage, the selling commission paid to the Company by the listing brokerage shall satisfy the Buyer's obligation for the brokerage fee show above provided that the brokerage fee is not less than the amount shown above. If the brokerage fee is less than the amount shown above, Buyer will pay the difference at closing. If the property is not listed with a brokerage, in the absence of a commission agreement with the owner of the selected property, the brokerage fee shown above shall be paid by the Buyer. Unless otherwise agreed to in writing by the Buyer and the Company, the brokerage fee shown above shall be due and payable on: (i) if a purchase, the date of recording of the closing documents; (ii) if a lease, the effective date of the lease, or (iii) if an option, the date the option agreement is signed. If the transaction is prevented by default of Buyer, the compensation shall be immediately payable to the Company.

**2. AGENCY RELATIONSHIPS.** By signing this Non-Exclusive Buyer-Broker Agreement, the Buyer designates the Buyer's Agent, the Principal/Branch Broker for the Company (the "Broker"), and every real estate agent affiliated with the Company (the "Affiliates") as agents for the Buyer to locate properties for the Buyer's consideration and review. As agents for the Buyer, the Buyer's Agent, the Broker, and the Affiliates, have fiduciary duties to the Buyer that include loyalty, full disclosure, confidentiality, and reasonable care. If the property the Buyer desires to acquire is listed with another brokerage, or is listed as "For Sale By Owner", then the Buyer's Agent, the Broker and each of the Affiliates will continue to represent the Buyer. However, if the property that the Buyer desires to acquire is listed with the Company, then the Buyer's Agent, the Broker, and each of the Affiliates, will, as a practical matter, be representing both the Buyer and the seller in the same transaction. Representing a buyer and seller in the same transaction is referred to as "Limited Agency". A Limited Agent has fiduciary duties to both the buyer and the seller. However, those duties are "limited" because the Limited Agent cannot provide to both parties undivided loyalty, full confidentiality and full disclosure of all information known to the Limited Agent. For this reason, the Limited Agent is bound by a further duty of neutrality. Being neutral, the Limited Agent may not disclose to either party information likely to weaken the bargaining position of the other – for example, the highest price a buyer will offer, or the lowest price a seller will accept. **THE BUYER IS ADVISED THAT NEITHER THE BUYER NOR THE SELLER IS REQUIRED TO ACCEPT A LIMITED AGENCY SITUATION IN THE COMPANY, AND EACH PARTY IS ENTITLED TO BE REPRESENTED BY ITS OWN AGENT.** If Limited Agency is agreed to below; (a) the Buyer authorizes the Buyer's Agent, the Broker and each of the Affiliates to represent both the Buyer and the Seller as Limited Agents when the Buyer's Agent and the Broker also represent the Seller of the Property the Buyer desires to acquire; (b) the Buyer further agrees that when another agent in the Company represents the Seller, that agent will exclusively represent the Seller, the Buyer's Agent will exclusively represent the Buyer, and the Broker will act as Limited Broker. **IN EITHER EVENT, IF LIMITED AGENCY IS AGREED TO BELOW, THE BUYER AND THE SELLER WILL BE REQUIRED TO SIGN A SEPARATE LIMITED AGENCY CONSENT AGREEMENT AT THE TIME THE LIMITED AGENCY SITUATION ARISES.** INITIAL APPLICABLE BOX: [  ] I AGREE TO LIMITED AGENCY; OR [  ] I DO NOT AGREE TO LIMITED AGENCY.

ALL OTHER TERMS OF THE NON-EXCLUSIVE BUYER BROKER AGREEMENT not modified by this Addendum shall remain the same.

COMPANY / DATE

BUYER / DATE

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

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