



CHICAGO ASSOCIATION OF REALTORS®
EXCLUSIVE TENANT-BROKER REPRESENTATION AGREEMENT

This Contract is Intended to be a Binding Real Estate Contract
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1. SPONSORING BROKER. This Exclusive Tenant-Broker Representation Agreement ("Agreement") is entered into by and between _____ ("Sponsoring Broker") and _____ ("Tenant").

Sponsoring Broker agrees to appoint a broker or leasing agent affiliated with Sponsoring Broker to act as the Tenant's designated agent ("Tenant's Designated Agent"), as set forth in paragraph 5, for the purpose of assisting Tenant in identifying and negotiating the acquisition of residential real estate ("Property") and Tenant agrees to grant Tenant's Designated Agent the exclusive right ("Exclusive Right") to represent Tenant in such acquisition per the terms and conditions set forth in this Agreement. The terms "acquire" or "acquisition" shall mean the lease, purchase, exchange, or contract for the option to purchase Property by Tenant or anyone acting on Tenant's behalf.

2. TERM. Sponsoring Broker's Exclusive Right shall extend from the Effective Date, as set forth on page 2 ("Commencement Date"), until 11:59 P.M. on _____, at which time this Agreement shall automatically terminate ("Termination Date").

3. COMPENSATION. Sponsoring Broker expects to be paid a commission of (choose one) [] _____ OR [] _____% [percent] of the gross annual lease of the Property which Tenant acquires during the Term of this Agreement ("Acquisition Commission") from the listing sponsoring broker under a cooperative sponsoring brokerage arrangement or from the owner, if there is no listing sponsoring broker. In the event that the listing sponsoring broker or the owner does not pay Sponsoring Broker a commission, or if the amount of commission paid by listing sponsoring broker or the owner is not at least equal to the Acquisition Commission, then Tenant shall pay Sponsoring Broker at the time of acquisition, compensation equal to the Acquisition Commission, less any commission paid by listing sponsoring broker or the owner, whether or not the Property has been identified by Sponsoring Broker or Tenant. If Tenant purchases Property or enters into a purchase contract during this Agreement, and the owner does not agree to pay Sponsoring Broker a sales commission, then Tenant shall pay to Sponsoring Broker a sales commission of (choose one) [] _____% [percent] of the purchase price OR [] \$_____ flat fee commission ("Sale Commission"). The Acquisition Commission and the Sale Commission are together referred to as "Compensation". Furthermore, if Tenant acquires (or enters into an agreement to acquire) Property that was identified to Tenant by Sponsoring Broker during the Term of this Agreement within _____ (choose one) [] days OR [] months following the Termination Date ("Compensation Deadline"), then Tenant shall pay Sponsoring Broker at acquisition, as the case may be, the Compensation set forth above. In no event shall Sponsoring Broker be obligated to advance funds to Tenant to facilitate the acquisition of Property. Tenant shall pay Sponsoring Broker a non-refundable retainer fee of \$_____ which shall be due and payable to, and shall be considered earned by, Sponsoring Broker upon signing this Agreement. Tenant's obligations under this Paragraph 3 shall survive the termination of this Agreement.

4. MINIMUM SERVICES. Pursuant to the Real Estate License Act of 2000, as amended, Sponsoring Broker must provide, at a minimum, the following services: (a) accept delivery of and present to the Tenant offers and counteroffers to sell or lease any Property that Tenant seeks to acquire; (b) assist the Tenant in developing, communicating, negotiating and presenting offers, counteroffers and notices that relate to the offers and counteroffers until a lease or agreement for the acquisition of the Property is signed and all contingencies have been satisfied or waived; and (c) answer the Tenant's questions relating to the offers, counteroffers, notices and contingencies.

5. TENANT'S DESIGNATED AGENT. Sponsoring Broker and Tenant agree that (a) _____, a sponsored licensee of Sponsoring Broker, is Tenant's Designated Agent under this Agreement with Sponsoring Broker, and (b) neither Sponsoring Broker nor other sponsored licensees of Sponsoring Broker will be acting as agent for Tenant. Tenant understands and agrees that Sponsoring Broker and any of Sponsoring Broker's other sponsored licensees may enter into agreements with other prospective purchasers, sellers, landlords, and tenants of Property as agents of those purchasers, sellers, landlords, and tenants.

6. TENANT'S DESIGNATED AGENT'S DUTIES. Tenant's Designated Agent shall: (a) use best efforts to identify Properties available for acquisition that meet the Tenant's specifications relating to location, price, features and amenities; (b) arrange, to the extent available, inspections of Properties identified by Tenant as potentially appropriate for acquisition; (c) assist Tenant in negotiating a lease for the acquisition of Property; (d) safeguard and protect any confidential or proprietary information that Tenant discloses to Tenant's Designated Agent unless disclosure of such information is required by law; (e) disclose to Tenant any information known to Tenant's Designated Agent that would materially affect Tenant's decision to acquire the Property.

7. LIMITATIONS ON TENANT'S DESIGNATED AGENT'S DUTIES. Tenant acknowledges and agrees that Sponsoring Broker's Designated Agent: (a) may enter into exclusive Sponsoring Brokerage relationships with other Tenants of Property and may show the same or similar Properties in which Tenant is interested to other prospective Tenants that Tenant's Designated Agent represents; (b) is not an expert with regard to matters which could have been revealed through a survey, title search or inspection of the Property; the condition of Property or items within the Property; building products and construction techniques; the necessity or cost of any repairs to the Property; hazardous or toxic materials; termites and other wood destroying organisms; the tax and legal consequences of any acquisition; the availability and cost of utilities and community amenities; appraised or future value of the Property (or matters relating to financing for which Tenant is hereby advised to seek independent expert advice); and conditions off the Property which may affect the Property; (c) is not responsible for the accuracy of room dimensions, lot size, square feet, variances, zoning or use restrictions which may or may not be reflected in the Multiple Listing Service ("MLS") or other sources; (d) shall owe no duties to Tenant nor have any authority on behalf of Tenant other than what is set forth in this Agreement; (e) may make disclosures as required by law; (f) may show Tenant Property which is listed in the MLS by Sponsoring Broker or Sponsoring Broker's Designated Agent; and (g) IS NOT OBLIGATED TO SHOW PROPERTIES THAT ARE FOR LEASE BUT NOT IN THE MLS IN WHICH SPONSORING BROKER OR TENANT'S DESIGNATED AGENT PARTICIPATE, UNLESS REQUESTED TO DO SO BY TENANT IN WRITING, AND THE PROPERTY IS AVAILABLE FOR SHOWING BY TENANT'S DESIGNATED AGENT.

8. TENANT'S DUTIES. Tenant must (a) work EXCLUSIVELY with Tenant's Designated Agent to identify and acquire Property during the Term of this Agreement; (b) comply with reasonable requests of Tenant's Designated Agent to supply relevant financial information that may be necessary to permit Tenant's Designated Agent to fulfill its obligations under this Agreement; (c) be available upon reasonable notice and at reasonable hours to inspect Properties that are potentially appropriate for acquisition by Tenant; (d) identify to Tenant's Designated Agent those specific Properties not in the MLS that Tenant would want to inspect; (e) otherwise cooperate with Tenant's Designated Agent in its efforts to fulfill its obligations under this Agreement; and (f) pay Sponsoring Broker, or cause seller's listing Sponsoring Broker or seller to pay Sponsoring Broker, the Compensation set forth in Paragraph 3 of this Agreement.

9. DISCLAIMER. Tenant acknowledges and agrees that Sponsoring Broker and Tenant's Designated Agent are being retained solely as real estate professionals and NOT as attorneys, tax advisors, surveyors, structural engineers, home inspectors, environmental consultants, architects, contractors, or other professional service advisors. Tenant understands and agrees that such other professional service providers are available to render advice or services to Tenant, if desired, at Tenant's expense.

10. INDEMNIFICATION OF SPONSORING BROKER. Tenant hereby indemnifies and holds Sponsoring Broker and Tenant's Designated Agent harmless from and against any and all claims, disputes, litigation, judgments, costs, and legal fees arising from (i) misrepresentations by Tenant or other incorrect or incomplete information supplied by Tenant; (ii) money handled by anyone other than Sponsoring Broker; and (iii) injuries to persons on the Property and/or loss or damage to the Property or any portions of the Property.

58 **11. ARBITRATION.** Any controversy or claim arising out of or relating to this Agreement, or the breach of this Agreement, shall be settled by arbitration in accordance with the
59 rules of the Chicago Association of REALTORS, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

60 **12. LIMITATION ON SPONSORING BROKER'S LIABILITY.** Neither Sponsoring Broker nor Tenant's Designated Agent shall, under any circumstances, have any liability pursuant to
61 this Agreement which is greater than the amount of the Compensation paid to Sponsoring Broker by Tenant or seller's listing Sponsoring Broker or seller, as the case may be (and
62 excluding any commission amount retained by the listing Sponsoring Broker, if any).

63 **13. REAL ESTATE SETTLEMENT PROCEDURES ACT COMPLIANCE.** Tenant shall comply with the Real Estate Settlement Procedures Act of 1974, as amended ("**Act**"), if applicable,
64 and furnish all information required for compliance with the Act.

65 **14. DUAL AGENCY.** By checking "yes" and signing below, Tenant acknowledges and agrees that Tenant's Designated Agent ("**Licensee**") may undertake a dual representation
66 (represent both seller and buyer or landlord and tenant, as the case may be) in connection with any acquisition of Property. Tenant acknowledges and agrees that Tenant has read
67 the following prior to executing this Agreement:

68 Representing more than one party to a transaction presents a conflict of interest since both parties may rely upon the Licensee's advice and the parties' respective interests
69 may be adverse to each other. The Licensee will undertake the representation of more than one party to a transaction only with the written consent of **ALL** parties to the
70 transaction. Any parties who consent to dual representation expressly agree that any agreement between the parties as to any terms of the contract, including the final
71 contract price, results from each party negotiating on its own behalf and in its own best interest. Tenant acknowledges and agrees that (a) Sponsoring Broker has explained
72 the implications of dual representation, including the risks involved, and (b) Tenant has been advised to seek independent counsel from its advisors and/or attorneys prior to
73 executing this Agreement or any documents in connection with this Agreement.

74 **WHAT A LICENSEE CAN DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT:**

75 1. Treat all clients honestly. 2. Provide information about the property to the purchaser or tenant. 3. Disclose all latent material defects in the property that are known
76 to the Licensee. 4. Disclose the financial qualification of Tenant to the seller or landlord. 5. Explain real estate terms. 6. Help the Tenant arrange for property
77 inspections. 7. Explain closing costs and procedures. 8. Help the Tenant compare financing alternatives. 9. Provide information to seller or Tenant about comparable
78 properties that have sold so both clients may make educated decisions on what price to accept or offer.

79 **WHAT A LICENSEE CANNOT DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT:**

80 1. Disclose confidential information that the Licensee may know about either client without that client's express consent. 2. Disclose the price the seller or landlord will
81 take other than the listing price without the express consent of the seller or landlord. 3. Disclose the price the purchaser or tenant is willing to pay without the express
82 consent of the purchaser or tenant. 4. Recommend or suggest a price the Tenant should offer. 5. Recommend or suggest a price the seller or landlord should counter
83 with or accept.

84 Tenant acknowledges having read these provisions regarding the issue of dual representation. Tenant is not required to accept this Paragraph 14 unless Tenant wants to allow the
85 Licensee to proceed as a dual agent ("**Dual Agent**") in this transaction. By checking "yes", signing below, and signing this Agreement, Tenant acknowledges that it has read and
86 understands this Paragraph 14 and voluntarily consents to the Licensee acting as a Dual Agent (that is, to represent **BOTH** the seller and purchaser or landlord and tenant, as the
87 case may be) should it become necessary.

88 **Tenant (check one):** Yes No **Tenant Signature:** _____ **Tenant Signature:** _____

89 **15. NONDISCRIMINATION, SPONSORING BROKER, ITS AGENTS AND EMPLOYEES AND TENANT'S DESIGNATED AGENT SHALL NOT ACT IN ANY WAY TO INDUCE OR DISCOURAGE**
90 **TENANT FROM ACQUIRING A PARTICULAR PROPERTY BASED ON THE RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, ANCESTRY, AGE, MARITAL STATUS, PHYSICAL OR**
91 **MENTAL HANDICAP OR FAMILIAL STATUS (OR ANY OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN RIGHTS ACT) OF THE SELLER AND/OR TENANT. THE**
92 **PARTIES TO THIS AGREEMENT AGREE TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE AND LOCAL FAIR HOUSING LAWS.**

93 **16. MISCELLANEOUS PROVISIONS.**

- 94 A. Amendments. No amendment or alteration of this Agreement shall be valid or binding unless made in writing and signed by the Sponsoring Broker, Tenant's
95 Designated Agent and Tenant.
- 96 B. Gender Neutral. Where applicable in this Agreement, the singular form of any word shall include the plural and the masculine form shall include the feminine and
97 neuter, and vice versa.
- 98 C. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties.
- 99 D. Days. Any reference in this Agreement to "day" or "days" shall mean business days, not calendar days. Business Days are defined as Monday through Friday, excluding
100 Federal holidays. Business Hours are defined as 8:00 A.M. to 6:00 P.M. Chicago Time.

101 **TENANT'S INFORMATION:**

102 Signature: _____
103 _____ Date

104 Signature: _____
105 _____ Date

106 Tenant 1 Name (print): _____
107 Address: _____
108 _____ Phone #: _____
109 _____ Phone #: _____
110 Email Address: _____

111 Tenant 2 Name (print): _____
112 Address: _____
113 _____ Phone #: _____
114 _____ Phone #: _____
115 Email Address: _____

SPONSORING BROKER'S INFORMATION:

Sponsoring Broker's Signature: _____
Date: _____ ("**Effective Date**")

Sponsoring Broker (print): _____
Office MLS ID: _____
Address: _____
Office Phone #: _____

Designated Agent Name (print): _____
Designated Agent MLS ID: _____
Agent Direct Line: _____
Agent Cell Phone: _____
Agent Email Address: _____