

BROKER'S FEE AGREEMENT
(for properties not listed with a broker)

BFA

1 **BROKER (Company)** _____ 1

2 **LICENSEE(S)** _____ 2

3 **SELLER** _____ 3

4 *Note: The terms "buyer," "seller," and "buy" also will be construed to mean "tenant," "landlord," and "rent," respectively, throughout this agreement.* 4

5 _____ 5

6 1. **Property:** Seller is offering Seller's Property, at _____, 6
7 for sale. Seller certifies that the Property is not currently subject to a Listing Contract with a Pennsylvania licensed real estate 7
8 broker. 8

9 _____ 9

10 2. **Consumer Notice:** Seller acknowledges that Seller has received and understands the business relationships described in **the** 10
11 **Consumer Notice adopted by the Pennsylvania State Real Estate Commission at 49 Pa. Code §35.336. The duties, defini-** 11
12 **tions of business relationships, and statements identifying cooperation with other brokers, possibilities of dual agency and** 12
13 **designated agency stated therein, are incorporated here as part of this disclosure as though written here in their entirety.** 13

14 _____ 14

15 3. **Buyer:** Licensee has identified _____ as a potential Buyer for the Property. 15

16 Licensee is working with the Buyer as a Buyer's Agent, as described in the Consumer Notice. Seller acknowledges that 16
17 Seller has no business relationship, as described in the Consumer Notice, with Broker or Licensee. 17

18 Licensee is working with the Buyer and Seller as a Transaction Licensee as described in the Consumer Notice. 18

19 _____ 19

20 4. **Fee and Term:** This Agreement only applies to the Buyer identified in paragraph 3. If Seller sells the Property to the Buyer, 20
21 Seller will pay Broker a fee of _____ of/from the sale price of the Property, in consideration for the service rendered in 21
22 procuring the Buyer. This Agreement ends when Seller sells the Property or when negotiations between Buyer and Seller end. 22
23 If Buyer purchases the Property within _____ days of the end of this Agreement, Seller will pay Broker's Fee. The Broker's 23
24 Fee and the term of this Agreement are determined as a result of negotiations between Broker and Seller and have not been set 24
25 or recommended by any association of REALTORS®. 25

26 _____ 26

27 5. **Seller Will Reveal Defects and Environmental Hazards** 27

28 (A) Seller (including Sellers exempt from the Real Estate Seller's Disclosure Act) will disclose all known material defects 28
29 and/or environmental hazards on a separate disclosure statement. A material defect is a problem or condition that: 29

30 1. is a possible danger to those living on the Property, or 30

31 2. has a significant, adverse effect on the value of the Property. 31

32 (B) If Seller fails to tell of known material defects and/or environmental hazards, 32

33 1. Seller will not hold Broker or Licensee responsible in any way; 33

34 2. Seller will protect Broker and Licensee from any claims, lawsuits, and actions that result: 34

35 3. Seller will pay all of Broker's and Licensee's costs that result. This includes attorneys' fees and court-ordered 35
36 payments or settlements (money Broker or Licensee pays to end a lawsuit or claim). 36

37 _____ 37

38 6. **Special Instructions:** The Office of the Attorney General has not pre-approved any special conditions or additional terms 38
39 added by any parties. Any special instructions in this Agreement must comply with the Pennsylvania Plain Language 39
40 Consumer Contract Act. 40

41 _____ 41

42 7. **Entire Agreement:** This is the entire Agreement between Broker and Seller. Any verbal or written agreements that were made 42
43 before are not a part of this Agreement. Any changes or additions to this Agreement must be in writing and signed by Broker 43
44 and Seller. 44

45 _____ 45

46 _____ 46

47 _____ 47

48 **Seller has read the Notices to Sellers in this Agreement. All Sellers must sign this Broker's Fee Agreement.** 48

49 _____ 49

50 _____ 50

51 _____ 51

52 **NOTICE BEFORE SIGNING: IF SELLER HAS LEGAL QUESTIONS, SELLER IS ADVISED TO CONSULT AN ATTORNEY.** 52

53 _____ 53

54 _____ 54

55 **SELLER** _____ **DATE** _____ 55

56 Name (print) _____ SS# _____ 56

57 Mailing Address _____ 57

58 Phone #s _____ FAX # _____ E-Mail _____ 58

59 _____ 59

60 **SELLER** _____ **DATE** _____ 60

61 Name (print) _____ SS# _____ 61

62 Mailing Address _____ 62

63 Phone #s _____ FAX # _____ E-Mail _____ 63

64 _____ 64

65 **SELLER** _____ **DATE** _____ 65

66 Name (print) _____ SS# _____ 66

67 Mailing Address _____ 67

68 Phone #s _____ FAX # _____ E-Mail _____ 68

69 _____ 69

70 **BROKER (Company Name)** _____ 70

71 **ACCEPTED BY** _____ **DATE** _____ 71

72 Mailing Address _____ 72

73 Phone #s _____ FAX # _____ E-Mail _____ 73

NOTICES TO SELLERS

IF PROPERTY WAS BUILT BEFORE 1978

The Residential Lead-Based Paint Hazard Reduction Act says that any Seller of property built before 1978 must give the buyer an EPA pamphlet titled *Protect Your Family From Lead in Your Home*. The Seller also must tell the buyer and the Broker what the Seller knows about lead-based paint and lead-based paint hazards that are in or on the property being sold. Seller must tell the buyer how the Seller knows that lead-based paint and lead-based paint hazards are on the property, where the lead-based paint and lead-based paint hazards are, the condition of the painted surfaces, and any other information Seller knows about lead-based paint and lead-based paint hazards on the property. Any Seller of a pre-1978 structure must also give the buyer any records and reports that the Seller has or can get about lead-based paint or lead-based paint hazards in or around the property being sold, the common areas, or other dwellings in multi-family housing. According to the Act, a Seller must give a buyer 10 days (unless Seller and the buyer agree to a different period of time) from the time an Agreement of Sale is signed to have a "risk assessment" or inspection for possible lead-based paint hazards done on the property. Buyers may choose not to have the risk assessment or inspection for lead paint hazards done. If the buyer chooses not to have the assessment or inspection, the buyer must inform the Seller in writing of the choice. The Act does not require the Seller to inspect for lead paint hazards or to correct lead paint hazards on the property. The Act does not apply to housing built in 1978 or later.

DEPOSIT MONEY

- A. Broker, or any person Seller and the buyer name in the Agreement of Sale, will keep all deposit monies paid by or for the buyer in an escrow account. If held by Broker, this escrow account will be held as required by real estate licensing laws and regulations. Seller agrees that the person keeping the deposit monies may wait to deposit any uncashed check that is received as deposit money until Seller has accepted an offer.
- B. If Seller joins Broker or Licensee in a lawsuit for the return of deposit monies, Seller will pay Broker's and Licensee's attorneys' fees and costs.

NOTICE TO PERSONS OFFERING TO SELL OR RENT HOUSING IN PENNSYLVANIA

Federal and state laws make it illegal for Seller, Broker, or anyone to use RACE, COLOR, RELIGION or RELIGIOUS CREED, SEX, DISABILITY (physical or mental), FAMILIAL STATUS (children under 18 years of age), AGE (40 or older), NATIONAL ORIGIN, USE OR HANDLING/TRAINING OF SUPPORT OR GUIDE ANIMALS, or the FACT OF RELATIONSHIP OR ASSOCIATION TO AN INDIVIDUAL KNOWN TO HAVE A DISABILITY as reasons for refusing to sell, show, or rent properties, loan money, or set deposit amounts, or as reasons for any decision relating to the sale of property.

COOPERATION WITH OTHER BROKERS

Broker has not cooperated with other brokers in procuring the Buyer for this Property.

CONFLICT OF INTEREST

If Broker, or any of Broker's licensees, has a conflict of interest, Broker will notify Seller in a timely manner.

BROKER'S SERVICES TO BUYERS

Broker may provide services to a buyer for which Broker may accept a fee. Broker will disclose to Seller if any fees are to be paid by Buyer.

REAL ESTATE RECOVERY FUND

Pennsylvania has a Real Estate Recovery Fund (the Fund) to repay any person who has received a final court ruling (civil judgment) against a Pennsylvania real estate licensee because of fraud, misrepresentation, or deceit in a real estate transaction. The Fund repays persons who have not been able to collect the judgment after trying all lawful ways to do so. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).