

# Buyer Personal Service Agreement



This form authorized for use ONLY by active real estate licensee subscribers of Alaska Multiple Listing Service, Inc.

This Agreement is made and entered into by and between \_\_\_\_\_ (Buyer) and \_\_\_\_\_ (Brokerage), which has designated \_\_\_\_\_ (Buyer's Licensee) to provide services to Buyer, beginning on \_\_\_\_\_ (date) and continuing until 11:59 p.m. on \_\_\_\_\_ (date), or a successful recording of a Purchase and Sale Agreement signed within the timeframe noted above (whichever is later) (the Term).

Brokerage/Licensee shall assist Buyer to procure the following property type(s):

☐ residential ☐ condominium ☐ multi-family ☐ land ☐ commercial ☐ other: \_\_\_\_\_

**Consumer Disclosure:** Buyer acknowledges that Buyer has received and signed the Alaska Real Estate Commission Consumer Disclosure.

## 1) Brokerage/Licensee's Duties:

- a. Brokerage/Licensee's duties to Buyer are set forth in the Alaska Real Estate Commission Consumer Disclosure.
- b. Brokerage/Licensee further agree as follows:

\_\_\_\_\_  
\_\_\_\_\_.

## 2) Buyer's Duties:

- a. Buyer agrees that Brokerage/Licensee make no warranties or representations regarding the value or suitability of any property for Buyer's purposes.
- b. Buyer agrees that the acquisition of real property may require professional qualifications in areas such as law, tax, financing, surveying, structural conditions, hazardous materials, environmental matters, and/or engineering which Brokerage/Licensee may not possess.
- c. Buyer is advised to obtain inspection(s) of the property by professional inspector(s) and to obtain advice from experts in such areas as desired.
- d. If Brokerage/Licensee refers Buyer to third parties for advice and assistance, Buyer agrees that Brokerage/Licensee does not warrant or guarantee the third parties' performance.
- e. Buyer agrees to:
  - i. Work exclusively with Brokerage/Licensee to identify, view, write an offer and procure a property in \_\_\_\_\_ (Market Area) during the Term.
  - ii. Hold Brokerage/Licensee harmless from liability resulting from incomplete or inaccurate information provided to Buyer by any third party.
  - iii. Provide Brokerage/Licensee with accurate information including financial information and written authorization to obtain verification of funds necessary for the performance of this Agreement.
  - iv. Be reasonably available to meet and to view properties.
  - v. Authorize Buyer's Licensee to negotiate, under Buyer's direction, with the seller of a property or seller's representative.
  - vi. Other: \_\_\_\_\_.

## 3) Compensation Negotiable: Buyer acknowledges that Brokerage/Licensee has disclosed that brokerage services are not free, compensation is not set by law, and is fully negotiable.

## 4) Compensation: If Buyer purchases (including a contract to purchase, an exchange or contract to exchange, or an option to purchase) real property, located in the Market Area during the Term, and (a) the purchase records, or (b) the purchase fails to record due to Buyer's breach of the terms of the purchase and sale agreement, then the Buyer will pay to Buyer Brokerage the compensation (Compensation) as follows:

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## a. Forms of Compensation. (Check all that apply)

- ☐ \_\_\_\_% of gross sales price. ☐ Flat Fee \$\_\_\_\_\_.
- ☐ Hourly Rate\_\_\_\_\_ to be billed\_\_\_\_\_.
- ☐ Retainer Fee. Buyer shall pay Brokerage a nonrefundable retainer fee of \$ \_\_\_\_\_, due when Buyer signs this Agreement. If Buyer acquires and completes the purchase of property under this Agreement, the retainer shall be credited towards the Compensation due as as provided in this paragraph 4.
- ☐ Brokerage processing/transaction fee: ☐ \_\_\_\_% of gross sales price. ☐ Flat Fee \$\_\_\_\_\_.
- ☐ Other\_\_\_\_\_.

## b. Unrepresented Seller or Seller Receiving Limited Service. If Buyer purchases a property from a seller not represented by a Brokerage/Licensee or from a seller whose Brokerage/Licensee provides limited service, Buyer will compensate Buyer's Brokerage as provided in 4(a).

## c. Compensation After Expiration/Termination. If within\_\_\_\_\_ months (six (6) months if not filled in) after expiration or termination of this agreement, Buyer purchases a property that:

- i. Buyer negotiated for or entered into a contract to purchase which failed to record; or
- ii. was brought to the Buyer's attention by the efforts or actions of Brokerage/Licensee through information secured directly or indirectly from or through Brokerage/Licensee.

Buyer shall pay Brokerage the Compensation specified herein. Provided, that if Buyer pays compensation to another real estate firm in conjunction with a sale, the Compensation payable to Brokerage shall be reduced by the amount paid to such other firm(s).

- d. If Buyer acquires more than one property during the Term of this Agreement, absent a separate agreement, Brokerage shall have earned the Compensation as provided in 4(a) for each transaction.
- e. Brokerage will not receive Compensation from any source that exceeds the amount(s) stated in 4(a) unless Buyer and Brokerage/Licensee execute a written amendment to this Agreement to modify the Compensation due to Brokerage.
- f. Brokerage Fee shall be paid at the time as stated in Paragraph 4 (a), (b) and (c).

## 5) Source of Compensation: Compensation can be paid as follows (check one):

- ☐ Buyer instructs Licensee to arrange showings only on properties where Seller is offering to pay the entire brokerage fee.
- ☐ Buyer instructs Licensee to arrange showings on all properties where Seller is offering to pay compensation to the selling Brokerage.
- i. If the offer of compensation to the selling Brokerage is less than the amount specified in 4(a), Buyer may negotiate the Brokerage compensation through the Purchase and Sale agreement.
  - ii. If the Seller's offer of compensation to selling Brokerage is less than the amount stated in 4(a), Buyer may accept the Seller's offer of compensation (if any) on behalf of the Brokerage and pay the remaining portion of the compensation due.
  - iii. If negotiation for payment of the Brokerage compensation through the Purchase and Sale Agreement is unsuccessful, Buyer agrees to pay the entire amount specified in 4(a).

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- ☐ Buyer instructs Licensee to arrange showings on all available properties. Buyer agrees to pay the entire Brokerage compensation. Brokerage will not receive any compensation from the Seller.

**6) Other Potential Buyers.** Buyer understands that other potential Buyers may consider, make offers on, or acquire through Brokerage/Licensee the same or similar properties as Buyer is seeking to acquire.

**7) Attorney's Fees.** In any legal action, proceeding or arbitration arising out of this Agreement, the prevailing party may be entitled to recover its reasonable attorney's fees and costs.

**8) Mediation.** If a dispute arises between the parties relating to this Agreement the parties shall proceed in good faith to submit the matter to mediation before commencing litigation. The cost of mediation shall be shared equally by the parties.

**9) Termination.** If Brokerage/Licensee fails to perform the duties provided for in this Agreement Buyer may terminate this Agreement with written notice to the Brokerage/Licensee which shall be Buyer's only recourse.

Brokerage/Licensee may terminate this Agreement by providing written notice to Buyer and Buyer shall be under no further obligation to Brokerage/Licensee except for obligations existing at the time of termination.

**10) Additional Terms:**

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**11) ☐ Addenda Attached:** \_\_\_\_\_.

**The undersigned have read and agree to the foregoing terms.**

Date \_\_\_\_\_ Time: \_\_\_\_\_ a.m. \_\_\_ p.m.

Buyer Signature(s)	Email	Cell Ph	Office Ph
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

Name of Brokerage \_\_\_\_\_

Broker/Licensee(s) Signature \_\_\_\_\_

# *Additional Options*

**Alaska Statutes require that prior to working with a buyer, all real estate licensees must do the following:**

- > Must provide and go over with the buyer the Alaska Real Estate Commission Consumer Disclosure document, which outlines the types of relationships a licensee can establish with a buyer client, and it establishes, and outlines the duties owed by both parties.
- > Must obtain buyer's written acknowledgement of the relationship the buyer wishes to establish between themselves and the real estate licensee.

If the DOJ has its way, there are four options open to the buyer when it comes to representation in a real estate transaction in the State of Alaska. Presently, commission fees are paid by the seller. In the near future, the DOJ (Dept. of Justice) may not allow a seller to be obligated to pay any part of the buyer's licensee commission.

**Note:** In the new world of real estate law, it will likely be the responsibility of the buyer's licensee to negotiate with the buyer and determine the level of representation desired by the buyer and to establish a fee structure for said services. If buyer(s) elects to work with Rod Stone, buyer will be embraced by 40+ years' experience and will be protected by an errors & omission insurance policy, protecting buyer interest in case of oversights, negligence, or fraud on the part of the licensee.

## **Five Buyer representation options have been defined and approved by the DOJ. These options go into effect Aug. 17, 2024.**

(To identify your choice of representation, please initial any of the following options.)

1. \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Option # 1—**Buyer elects to work exclusively with Rod Stone** and in return will receive exclusive representation that is timely, accurate, and professional. Rod Stone will represent his buying client only, **representing and protecting only their interests**. Rod Stone to receive a set fee of 2.25% for his services, to be paid by the buyer. In the initial offer, the buyer can negotiate with the seller to pay some or all of the buyer's Licensee/agent commission.
2. \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Option # 2—**Buyer can enter into** a pre-authorized neutral relationship with Rod Stone if property of interest is listed with Rod Stone. In this relationship, Rod Stone will not specifically represent either party in the transaction but can aid either party as long as his actions do not give an advantage of one party over the other. To further understand and establish a neutral relationship, refer to the attached buyer's "Alaska Real Estate Commission Consumer Disclosure".
3. \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Option # 3—Buyers can direct their Licensee/agent to show only properties of sellers who are offering cooperative compensation primarily paid by the seller.
4. \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Option # 4—Buyers can direct licensee/agent to negotiate in the purchase agreement, a cooperative compensation to be paid to buyer's Licensee/agent, paid by the seller or by both seller and buyer.

5. \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Option # 5—Buyer can elect to act on their own with no professional real estate representation. The buyer therefore has no commission obligation, or any other obligation to Real Estate Brokers of Alaska or Rod Stone. It is acknowledged by the buyer that Rod Stone is representing the seller only in this transaction.

**1) Terms of this Agreement:**

This Agreement is made and entered into by \_\_\_\_\_ / \_\_\_\_\_, noted as buyer and licensee - Rod Stone of Real Estate Brokers of Alaska. This agreement is in effect beginning \_\_\_\_\_ and shall continue until midnight \_\_\_\_\_ or until a successful recording of a purchase agreement is signed within the timeframe noted above.

**2) Licensee Duties:**

- a. It is understood and agreed that Rod Stone shall at all times, be deemed to be an “Independent Contractor”, and buyer has a limited right to control licensee in the conduct and activities required in the performance of this Agreement. At all times, the licensee shall be governed by Federal and Alaska Real Estate Laws, and any other regulations that may be applicable.
- b. In addition to the duties set forth in the Alaska Real Estate Commission Consumer Disclosure and the Real Estate Listing Contract, licensee agrees to:
  - i. Meet with buyer to identify objectives, requirements, schedules, possession timeline, financial capability, acquisition strategies, and other purchasing factors to be considered.
  - ii. Assist the buyer in obtaining available material information relative to desired property.
  - iii. Assist buyer in managing and suggesting negotiation tactics, contracts, time deadlines, and monitoring all closing issues that may come up.
  - iv. Buyer is given full access to licensee’s extensive, up-to-date web site - [www.YourAnchorageAKHomeSearch.com](http://www.YourAnchorageAKHomeSearch.com) and all related buyer/seller information Rod Stone has posted therein to assist his clients.

**3) Buyer Duties:**

- a. Buyer acknowledges and agrees that the acquisition of real property encompasses many professional disciplines, and while Rod Stone possesses considerable general knowledge, licensee is not an expert in matters of law, tax, financing, surveying, structural integrity, hazardous materials, engineering, etc. In the event licensee provides buyer with sources for third-party advice and assistance, buyer acknowledges and agrees that licensee does not warrant or guarantee third-party information or actions.
- b. Buyer agrees:
  - i. To work exclusively with Rod Stone to identify, view, procure, and/or write an offer to acquire a property during the term of this Agreement.
  - ii. To hold licensee harmless from liability resulting from incomplete or inaccurate information provided by buyer to any party.
  - iii. To provide licensee with reliable information including financial information and or written authorization to obtain verification of funds as necessary, in the performance of this agreement.

- iv. To drive-by a home of potential interest before requesting an in-person viewing.
- v. To be available to meet with licensee and view properties buyer has requested to view in-person.

**Note:** The duties of licensee do not relieve buyer from the responsibility of protecting her/his own interest. The buyer should carefully read all documents to assure that they adequately express the buyer's interest and intent.

**4) Compensation:**

1. It is note that Real Estate Brokers of Alaska / Rod Stone shall earn a Brokerage Fee as noted and outlined in this document on page one.
2. Brokerage Fee to be paid at closing / recording of transaction.
3. It is understood that Real Estate Brokers of Alaska shall not receive any additional compensation from the seller, buyer, or any other party unless agreed upon in writing by all parties.
4. Within three (3) months following the expiration or termination of this buyer representation agreement, if buyer purchases a property which Rod Stone introduced to the buyer or negotiated on behalf of the buyer, buyer shall pay Real Estate Brokers of Alaska a brokerage fee of 2% based of the sale/closed price of said property.

**5) Neutral Licensee Relationship:**

The buyer can authorize, Rod Stone pre-authorization to act or not to act as a neutral licensee in accordance with the Alaska Real Estate Commission Consumer Disclosure guidelines.

**Note:** If Rod Stone has a listing(s) and one of his buyers would like to view said property in person, Rod Stone must be pre-authorized by said buyer and seller to act in a neutral capacity in that specific situation. If a buyer wants to proceed with an offer, again Rod Stone can draw up a purchase agreement as long as both seller & buyer understand he is functioning as a neutral party, able to give assistance to either or both parties equally, as long as he does not place the well-being of one party over the well-being of the other party.

(Please initial one of the following)

(Please initial one of the following)

\_\_\_\_\_/\_\_\_\_\_  
Buyer hereby authorizes Rod Stone to act as a neutral licensee as long as the seller has also given pre-authorization for Rod Stone to act in a neutral capacity.

\_\_\_\_\_/\_\_\_\_\_  
Rod Stone is not pre-authorized to function as a neutral licensee. It is further understood that Rod Stone cannot show a buyer any of his personal listings if the seller or buyer rejects a neutral relationship.

6) **Other Potential Buyers:**

The buyer understands that other potential buyers may consider, make offers on, or acquire through Rod Stone the same or similar properties a buyer is seeking to acquire. Buyer consents to Rod Stone representation of such other potential buyers before, during, and after the expiration of this Agreement.

7) **Legal or Tax Advice:**

The buyer is advised to seek competent, professional, legal, or tax advice, when necessary.

8) **Mediation:**

If a dispute arises relating to a real estate transaction, the seller and buyer agree to first proceed in good faith to submit the matter to mediation. Unless otherwise agreed in mediation, the parties retain their right to proceed to litigation.

9) **Termination:**

Only if licensee fails to perform his duties as specifically outlined on page two of this document, under "Licensee Duties" and duties set forth in the Alaska Real Estate Commission Consumer Disclosure - **buyer may terminate** this Agreement with written notice stating explicate reason(s) for termination. Termination of this Agreement by buyer shall be buyer's only recourse against Real Estate Brokers of Alaska and Rod Stone.

**Licensee may terminate** this Agreement by providing written notice to buyer, at which time, Rod Stone shall be under no further obligation to the buyer except to obligations existing at the time of termination.

10) **The Addendum and noted documents listed below are made part of the listing contract.**

a. Buyer "Alaska Real Estate Commission Consumer Disclosure" \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

**Special note:** **Brokerage, Licensee/agent services are not free,**

**compensation is not set by law, and is fully negotiable.**

**The undersigned have read and approved the foregoing terms and conditions noted in this agreement.**

Date \_\_\_\_\_ Time: \_\_\_\_\_ a.m. \_\_\_\_\_ p.m. \_\_\_\_\_

**Buyer Signature(s)**

**E-mail Address**

**Phone #**

1: \_\_\_\_\_

2: \_\_\_\_\_

3: \_\_\_\_\_

**Real Estate Brokers of Alaska**

Rod Stone \_\_\_\_\_

**907-727-9379 – [rod@rodstone.com](mailto:rod@rodstone.com)**

**[www.YourAnchorageAKHomeSearch.com](http://www.YourAnchorageAKHomeSearch.com)**