



July 16, 2024

LBOR Buyer Agency Agreement

Summary of Changes & Rationale

PARAGRAPH 9: Compensation

Paragraph 9 has been updated to include language required as a result of the NAR Settlement. The lines following the first line ending in "...for services rendered, as follows:" are intentionally consistent with the language in the Listing Agreement, and open for a Broker/Agent to describe in detail the Broker's Compensation.

IMPORTANT: THE AMOUNT OF COMPENSATION REFLECTED MUST BE OBJECTIVELY ASCERTAINABLE AND MAY NOT BE OPEN-ENDED. Compensation may not be expressed as "to be determined" or "from the transaction." Clearly state the amount or rate of compensation.

Rationale: This language allows the Broker/Agent an open area to state their compensation. The open lines support all business models.

9. COMPENSATION: BUYER agrees to pay Broker, as compensation for services rendered, as follows:

(the amount of compensation reflected must be objectively ascertainable and may not be open-ended)
BUYER is advised that Broker commissions are not set by law, regulation or policy of any real estate trade association. The compensation paid to a real estate broker is always fully negotiable when entering into an Agency Agreement.

a. Unless otherwise specified herein, BUYER and Broker hereby agree that Broker shall first seek payment of the fee from the transaction. Broker may receive compensation from the contract proceeds from the SELLER and, in such event, any commission or fees paid from the SELLER'S proceeds shall be credited against the amounts due from the BUYER.

b. If the fee cannot be obtained from the transaction, in whole or in part, BUYER shall pay Broker the balance due as provided in this Agreement.

c. Unless otherwise specified herein, such compensation shall be due and payable on the happening of any of the following events, to wit:

(1) If a purchase or lease or other acquisition of real property, as described herein, is concluded before the expiration of this Agreement by the Broker named above or by the BUYER or, through any other person or,

(2) Such compensation shall be paid if purchase, lease or other acquisition of real property is concluded within _____ days after expiration of this Agreement, or any extension thereof, as long as the description of the property acquired by BUYER was submitted, in writing, to BUYER by Broker or Broker's agent pursuant to Section 4 hereof, during the original term of this Agreement or any extension thereof.

The required disclosure must remain in the Buyer Agreement: Broker Commissions are not set by law, regulation or policy of any real estate trade association. The compensation paid to a real estate broker is always fully negotiable when entering into an Agency Agreement. **Unless otherwise specified herein:** The language in 9.a. and 9.c. is intended to support Brokers/Agents who can be paid in a variety of ways, i.e., compensated on a per hour basis, etc...

A Buyer's Broker/Agent may not receive more compensation for services from any source that exceeds the amount or rate agreed to in the Buyer Agreement. A Buyer Agreement may be amended from time to time, as needed.

There are no other changes to the Buyer Agency Agreement.

Please reach out to Rob Hulse with any questions at (785) 842-1843, or by email at

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