

Greater Houston Builders Association
Broker Registration and Fee Agreement for Custom Transactions

This form may be used to register a prospect with a Member of the Greater Houston Builders Association

PARTIES/EFFECTIVE DATE: As of _____, 20____, the following parties have entered into this Agreement: _____ (Builder), _____ (Broker), and _____ (Prospect).

PROPERTY: The real property that is the subject of this Agreement is located at Lot _____, Block _____, Section _____ of the _____ Subdivision, in the City of _____, County, Texas. The address for the residence located or to be located on the Property is _____. The residence and the real property described above will be referred to in this Agreement as the "Property."

NOTICES: The Property _____ is _____ is not subject to a mandatory membership in an owners' association and its assessments and requirements. The Property _____ is _____ is not located within a municipal utility district and/or a levee improvement district.

BROKER'S FEES: If Builder and Prospect enter into a contract to sell and/or to build a residence on the Property (the "Contract") on or before _____, 20____, Broker shall become eligible to receive a fee from Builder for services performed as specified below:

- a. **Amount:** Builder shall pay to Broker, in cash, a fee of (i) \$ _____; or (ii) _____ % of the total sales/construction price set forth in the Contract. Upgrades and allowance credits and debits will _____ or will not _____ increase or decrease the total sales/construction price as specified in the Contract.
- b. **Entitlement and Payment Schedule:** It shall be a condition precedent to the payment of any fee (or portion thereof) to Broker that Builder have received payment under the Contract. If a lump sum is specified as Broker's Fee, that amount will be paid (i) paid at _____ or (ii) prorated over the time period as and when payments are received by Builder. If a percentage is specified as Broker's Fee, that percentage shall be paid as and when payments are received by Builder.

BROKER'S SERVICES: Builder and Prospect acknowledge receipt of the attached *Information About Brokerage Services*, which is incorporated into this Agreement for all purposes. During negotiations for the sale of the Property, Broker: _____ (a) will represent Builder only; _____ (b) will represent Prospect only; _____ (c) will act as an intermediary between Builder and Prospect. As an intermediary, Broker will assist both Prospect and Builder in the sale of the Property. Broker shall appoint a licensed associate(s) to communicate with, carry out instructions of and provide opinions and advice during negotiations to Builder, and appoint another licensed associate(s) to communicate with, carry out instructions of and provide opinions and advice during the negotiations to Prospect. Broker shall treat all Parties honestly and comply fully with the Real Estate License Act.

BROKER'S DISCLOSURES: As an intermediary, Broker may not disclose to Prospect that Builder will consider an amount less than the asking price unless otherwise instructed in a separate writing signed by Builder. Broker may also not disclose to Builder that Prospect will consider paying a price greater than the amount submitted in a written offer to Builder unless otherwise instructed in a separate writing signed by Prospect. Whether serving as an intermediary or not, Broker may not disclose any information that Builder or Prospect characterize as confidential or proprietary unless Broker is specifically instructed in writing by Builder or Prospect to communicate the confidential information to the other Party. This restriction on the disclosure of confidential or proprietary information shall not supersede Broker's obligation to disclose material information about the property as required by the Real Estate License Act or other applicable law.

RESOLUTION OF DISPUTES: The Parties acknowledge the need for an desirability of prompt, inexpensive and efficient dispute resolution procedures and therefore agree that their disputes shall be governed by the following:

Mediation; Arbitration/Waiver of Jury Trial. All Parties agree that all controversies, claims or matter in question arising out of or relating to (i) this Agreement, (ii) any breach thereof, (iii) the relationship between the Prospect, Broker and Builder, and (iv) any representations of warranties, express or implied, relating to the Property and the residence located thereon (herein referred to collectively as a "Dispute") shall be submitted to mediation before resorting to binding arbitration. If the need for mediation arises, a mutually acceptable mediator shall be chosen by the parties to the dispute and the cost of mediation services shall be shared equally by the parties to the dispute.

