

3 Ways Buyers Agents Can Receive Compensation

All numbers/percentages are for example use only and are always negotiated between your client and the agent

1) **Buyer simply pays their owner Buyer's Agent Brokerage per their Buyer Rep Contract.** This can be included on the Settlement Statement or paid directly to the brokerage.

2) **Listing Brokerage to Coop Brokerage - Use the Brokerage to Brokerage Compensation Agreement**

119. Seller shall pay Broker, as Broker's compensation, 6 percent (%) of the selling price or
120. \$ _____, whichever is greater, plus 499 ("The Commission"), if Seller sells or agrees to sell the Property
121. during the term of this Contract.
122. If Seller agrees to pay buyer broker's compensation directly to buyer broker, then Seller's obligation to pay Broker's
123. compensation as specified on lines 119-120 shall be reduced by the amount paid up to \$ _____
124. or % 0 of the selling price.
125. Other: _____
126. _____

KWIR:LC:ERS-3 (8/24)



LISTING CONTRACT: EXCLUSIVE RIGHT TO SELL

127. Page 4

128. Property located at _____
129. **COOPERATING BROKER COMPENSATION:** Of the total Broker's compensation, Broker **SHALL** **SHALL NOT** offer
.....(Check one.).....
130. compensation to cooperating brokers. If **SHALL**, the compensation to cooperating brokers shall be as follows:
131. 2.7 % of the selling price or \$ _____, whichever is greater, to cooperating brokers
132. representing buyer.
133. _____ % of the selling price or \$ _____, whichever is greater, to cooperating brokers
134. assisting buyer.
135. Other: _____
136. _____



**COOPERATING BROKER
COMPENSATION AGREEMENT**

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- 1. Date _____
- 2. Page 1

3. **DEFINITIONS:** This Contract involves the property located at _____

4. _____ ("Property").

5. Seller is _____ ("Seller").
(e.g., individual(s), estate, trust, corporation, etc.)

6. Seller's Broker is _____ ("Seller's Broker").
(Real Estate Company Name)

7. Buyer is _____ ("Buyer").
(e.g., individual(s), estate, trust, corporation, etc.)

8. Buyer's Broker is _____ ("Buyer's Broker").
(Real Estate Company Name)

9. Seller's Broker is a real estate broker who has entered into a written agreement with Seller for the market and/or sale or lease of the Property.

11. Buyer's Broker is a real estate broker representing or assisting Buyer who has offered, is contemplating making an offer, or has entered into a contract to purchase or lease the Property.

13. **COMPENSATION:** Provided the transaction between the Seller and Buyer closes, Seller's Broker agrees to pay Buyer's Broker as Buyer's Broker's compensation the following:

15. _____ % of selling price or \$ _____
(Choose one)

16. Other:

17. pertains to MLS # _____

18. applies to offers with a final acceptance date on or before _____

19.

20.

21.

22.

23. **ENTIRE AGREEMENT:** This Contract and all amendments signed by the Seller's Broker and Buyer's Broker shall constitute the entire agreement between the Seller's Broker and Buyer's Broker. Any other written or oral communication between Seller's Broker and Buyer's Broker, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this Contract. This Contract can be modified or canceled only in writing signed by Seller's Broker and Buyer's Broker.

28. SELLER'S BROKER

BUYER'S BROKER

29. **ACCEPTED BY:** _____
(Real Estate Company Name)

ACCEPTED BY: _____
(Real Estate Company Name)

30. **By:** _____
(Broker's Signature)

(Broker's Signature)

31. _____
(Broker's Printed Name)

(Broker's Printed Name)

32. _____
(Date)

(Date)

33. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN SELLER'S BROKER AND BUYER'S BROKER.**
34. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL**



3) Seller to Buyer's Brokerage - Don't Use Broker to Broker Compensation Agreement

115. **TOTAL BROKER COMPENSATION:**

116. Seller agrees to pay Broker a retainer fee of \$ _____ at the commencement of this
117. Contract, which fee should be kept by Broker whether or not Seller sells the Property. The retainer fee will apply
118. toward satisfaction of any obligation to compensate Broker.

119. Seller shall pay Broker, as Broker's compensation, 3.3 percent (%) of the selling price or

120. \$ _____, whichever is greater, plus 499 ("The Commission"), if Seller sells or agrees to sell the Property
121. during the term of this Contract.

122. If Seller agrees to pay buyer broker's compensation directly to buyer broker, then Seller's obligation to pay Broker's

123. compensation as specified on lines 119-120 shall be reduced by the amount paid up to \$ _____

124. or % 0 of the selling price.

125. Other: _____

126. _____

KWIR:LC:ERS-3 (8/24)



**LISTING CONTRACT:
EXCLUSIVE RIGHT TO SELL**

127. Page 4

128. Property located at _____

129. **COOPERATING BROKER COMPENSATION:** Of the total Broker's compensation, Broker **SHALL** **SHALL NOT** offer
------(Check one.)-----

130. compensation to cooperating brokers. If **SHALL**, the compensation to cooperating brokers shall be as follows:

131. _____ % of the selling price or \$ _____, whichever is greater, to cooperating brokers
132. representing buyer.

133. _____ % of the selling price or \$ _____, whichever is greater, to cooperating brokers
134. assisting buyer.

135. Other: _____

136. _____

Lines on the PA would read

405. **SELLER'S CONTRIBUTION TO BUYER'S BROKER'S COMPENSATION:** Seller agrees to pay buyer's broker's

406. compensation at closing 2.7 percent (%) of the selling price or \$ _____, which is in

407. addition to any Seller's contribution to Buyer's closing costs paid at closing. This amount is in addition to the listing

408. broker's offer of cooperating compensation, if any.

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Then include Addendum/Amendment for Seller Concessions, on line 9 seller may or may not want this percentage to be advertised. Seller could wait to see what a buyer's agent requested and depending on the net offer the seller may like this flexibility.

**ADDENDUM OR AMENDMENT TO LISTING
CONTRACT: SELLER CONCESSIONS**

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1. Date
2. Page 1 of

3. Addendum Amendment to Listing Contract between parties, dated , pertaining

4. to the Property at 123 Main Pleasantville, MN

5. _____

6. In the event of a conflict between this Addendum and any other provision of the Listing Contract, the language in this
7. Addendum shall govern.

8. **SELLER CONCESSIONS:** Seller may offer concessions to buyer which may include contributions to buyer broker's

9. compensation. Seller **SHALL** **SHALL NOT** offer compensation to cooperating brokers
.....(Check one.).....

10. If SHALL, the compensation to cooperating brokers shall be as follows:

11. 2.7 % of the selling price or \$ _____, whichever is greater, to cooperating brokers
12. representing buyer.

13. _____ % of the selling price or \$ _____, whichever is greater, to cooperating brokers
14. assisting buyer.

15. Other:

16. _____

17. If SHALL, Seller **AUTHORIZES** **DOES NOT AUTHORIZE** Broker to disclose Seller's willingness to offer concessions
.....(Check one.).....

18. to potential buyers.

19. **ACCEPTED BY:** _____
(Real Estate Company Name)

ACCEPTED BY: _____
(Client's Signature)