

Seller Commission Agreement with Co-operating Brokerage For A Listed Property

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Seller Commission Agreement with Co-operating Brokerage For A Listed Property

GENERAL USE: This form is used in circumstances where the Seller has listed the property with a brokerage and that brokerage is offering limited services which do not include negotiations and the commission payable is extremely small. The Seller would enter into this agreement with a Co-operating Brokerage who has brought a Buyer into the transaction and pay commission directly to the Co-operating Brokerage.

The parties to this agreement are identified at the beginning. The address of the property is set out here. In addition the name of the Buyer with whom the Co-operating Brokerage is working is noted.

BETWEEN:

SELLER:

AND

CO-OPERATING BROKERAGE:

..... (the "Brokerage") Tel.No.

for the property known as:..... (the "Property")

and for the following Buyer:.....(the "Buyer")

It is important that everyone understands the relationship that is created with this agreement. The Seller is neither a client nor a customer. Further, the Seller acknowledges that the Brokerage may be representing the Buyer or the Buyer may just be a customer. Since the property has been listed with a different brokerage, this agreement is not a representation or customer service agreement but strictly an agreement to pay commission.

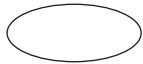
This is only an agreement to pay commission (Commission Agreement). The Seller acknowledges that the Brokerage is not representing the Seller and not providing services to the Seller. The Brokerage may be representing the interests of the Buyer or may be providing services to the Buyer for the transaction. The Seller has listed the Property with a different brokerage, therefore, this Agreement is not a representation agreement or an agreement to provide services to a customer as contemplated by the Real Estate and Business Brokers Act, 2002.

In accordance with the provisions of the Real Estate and Business Brokers Act, Code of Ethics the start and expiry times and dates are set out. Further, if the period exceeds six months, the Seller is required to initial acknowledging that extended time period.

This Commission Agreement between the Seller and the Brokerage:

commences at on the day of, 20.....
(a.m/p.m.)

and expires at 11:59 p.m. on the day of, 20..... (Expiry Date).

{ Seller acknowledges that the time period for this Agreement is negotiable between the Seller and the Brokerage, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), if the time period for this Agreement exceeds six months, the Brokerage must obtain the Seller's initials. }  (Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: *This form may be used in different circumstances, such as with a seller or a landlord. As a result there is a definition section setting out alternatives and additional parties that are included in the use of this form.*

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement:
"Seller" includes vendor, landlord and lessor and "Buyer" includes a purchaser, tenant and lessee or a prospective purchaser, tenant and lessee. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, and a lease includes any rental agreement, sub-lease or renewal of a lease. For purposes of this Agreement, anyone shown or introduced to the Property by the Brokerage shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation shown or introduced to the Property. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context.

INITIALS OF BROKERAGE: 

INITIALS OF SELLER(S): 

2. **COMMISSION:** *This is a commission agreement and the details of the commission are detailed. In bold type the Seller acknowledges that commission is payable for introducing the Buyer to the Seller even if the Seller enters into an agreement to pay commission to another brokerage. Further, it is set out that the commission payable under this agreement is in addition to any commission payable by the Seller to the Seller's listing brokerage.*

2. **COMMISSION:** In consideration of the Brokerage introducing the Buyer to the Property, the Seller agrees to pay the Brokerage a commission of % of the sale price of the Property or

.....
for any valid offer to purchase or lease the Property entered into between the Seller and the Buyer during the term of this Agreement.

Seller acknowledges that the commission as described above is payable to the Brokerage even if the Seller enters into an agreement to pay commission to another registered real estate brokerage during the currency of this Agreement or any extension thereof. The Seller further acknowledges that the commission described above is payable to the Brokerage in addition to any commission payable by the Seller to the Seller's listing brokerage.

This is a holdover provision. It sets out the right to commission by the Co-operating Brokerage if the Buyer noted in the form buys or leases within a specified time after expiry of the term.

The Seller agrees to pay such commission as calculated above if an agreement with the Buyer to purchase or lease the Property is agreed to or accepted by the Seller or anyone on the Seller's behalf within days after the expiration of this Agreement.

If, however, the offer from the Buyer for the purchase or lease of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, and if the new agreement was entered into after the expiration of this Agreement, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller agrees to pay such commission as described above even if the transaction contemplated by an agreement to purchase or lease agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect. The commission as described above shall be payable on the date set for completion of the purchase of the Property or, in the case of a lease or tenancy, the earlier of the date of occupancy by the tenant or the execution of the lease or the date set for commencement of the lease or tenancy.

The deposit given for any agreement between the Buyer and the Seller is to be applied to pay commission. If the deposit is not sufficient to pay all the commission the Seller will be liable to pay the deficiency.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Brokerage on demand, any deficiency in commission and taxes owing on such commission. All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. **DEPOSIT:** *The Deposit for the transaction is to be held in trust by the Co-operating Brokerage.*

3. **DEPOSIT:** The Seller and Brokerage agree that the deposit for a transaction shall be held in trust by the Brokerage. Any deposit in respect of any agreement where the transaction has been completed shall be first applied to reduce the commission payable. Should such amounts paid to the Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay the Brokerage on demand, any deficiency in commission and taxes owing on such commission.

4. **FINDERS FEES:** *Since there is possibility of finder's fees this is set out in a paragraph.*

4. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.

5. **FAMILY LAW ACT:** *The Seller is warranting that if spousal consent is necessary, the spouse has signed below.*

5. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.

6. **SUCCESSORS AND ASSIGNS:** *The heirs, estate trustees or any other party legally acting on behalf of the Seller must also abide by the terms of this Agreement.*

6. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

7. **CONFLICT OR DISCREPANCY:** *If something that appears in a Schedule to the Agreement is in conflict with a provision in the pre-printed clauses then the part that was added supersedes the pre-printed clause. Further this is the entire agreement between the parties.*

7. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between the Seller and the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

INITIALS OF BROKERAGE: 

INITIALS OF SELLER(S): 

8. **ELECTRONIC COMMUNICATION:** Communications for the delivery of notices can be done by electronic means. When communicated electronically, signatures shall be deemed original. If the Agreement is communicated electronically by the Seller, it shall act as a confirmation that the Seller has kept a true copy.
8. **ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
9. **ELECTRONIC SIGNATURES:** This clause provides consent if the parties use electronic signatures with respect to this Agreement.
9. **ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000*, S.O. 2000, c17 as amended from time to time.
10. **SCHEDULE(S):** There is the possibility that Schedules will be added to set out any additional provisions. If that were the case that would be noted here.
10. **SCHEDULE(S)** attached hereto form(s) part of this Agreement.

Since the Seller has a listing with another brokerage, to comply with the Real Estate and Business Brokers Act, it is necessary that the Co-operating Brokerage be given written consent to communicate directly with the Seller. This provision confirms that such consent has been obtained.

THE BROKERAGE HEREBY CONFIRMS THAT THE BROKERAGE HAS OBTAINED WRITTEN CONSENT FROM THE LISTING BROKERAGE TO COMMUNICATE DIRECTLY WITH THE SELLER, AS REQUIRED BY THE REAL ESTATE AND BUSINESS BROKERS ACT, 2002. Ontario Regulation 580/05, Code of Ethics, Section 7. (1).

The Brokerage signs this Agreement agreeing to try to obtain an accepted agreement to purchase or lease the property between the Seller and the Buyer.

THE BROKERAGE AGREES TO ENDEAVOUR TO OBTAIN THE ACCEPTANCE OF AN AGREEMENT TO PURCHASE OR LEASE THE PROPERTY BETWEEN THE SELLER AND THE BUYER.

..... (Authorized to bind the Brokerage) (Date) (Name of Person Signing)

The Seller signs acknowledging having read and understood the Agreement and accepting its terms.
THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACCEPT THE TERMS OF THIS AGREEMENT. I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

..... (Signature of Seller) (Seal) (Date) (Tel. No.)
 (Signature of Seller) (Seal) (Date) (Tel. No.)

This is where the non-owner spouse signs if spousal consent is necessary.
SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... (Spouse) (Seal) (Date) (Tel. No.)

The Declaration of Insurance is signed by the Salesperson/Broker to confirm that they carry insurance as required by the Real Estate and Business Brokers Act.


DECLARATION OF INSURANCE	
The Salesperson/Broker/Broker of Record	(Name of Salesperson/Broker/Broker of Record)
hereby declares that he/she is insured as required by REBBA.	
.....	(Signature(s) of Salesperson/Broker/Broker of Record)

The Seller signs here to acknowledge that the Seller fully understands the terms of the Agreement and that they have received a copy of the Agreement.

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement on the day of, 20

..... (Signature of Seller) (Date)
 (Signature of Seller) (Date)

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