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Tenant Representation Agreement - Commercial Mandate for Lease

Form 546

for use in the Province of Ontario

GENERAL USE: The Tenant Representation Agreement - Commercial is a contract between a Tenant and a real estate company authorizing the real estate company to represent the Tenant when a Tenant would like to lease property or premises.

This section of the Agreement identifies the parties involved and specifies the time period for the contract. The Real Estate and Business Brokers Act, 2002 (REBBA) Code Regulations requires the Tenant(s) initials on this Form, in the oval beside the bracket, if the Agreement is to extend beyond six months time.

This is an Exclusive Tenant Representation Agreement

BETWEEN:

BROKERAGE:(the "Brokerage"),

ADDRESS:

..... Tel. No. Fax No.

AND

TENANT: (the "Tenant"),

ADDRESS:

The Tenant hereby gives the Brokerage the **exclusive and irrevocable authority** to act as the Tenant's agent

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

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

Tenant acknowledges that the time period for this Agreement is negotiable between the Tenant 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 Tenant's initials. (Tenant's Initials)

for the purpose of locating a real property meeting the following general description:

Property Type (Use):

Geographic Location:

The Tenant hereby warrants that the Tenant is not a party to a representation agreement with any other registered real estate brokerage for the lease of a real property of the general description indicated above. (Tenant's Initials)

1. DEFINITIONS AND INTERPRETATIONS: *The following section defines who will be referred to as the Tenant and Landlord for the remainder of the document.*

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Mandate"):
"Tenant" includes a lessee and a "landlord" includes a lessor or a prospective lessor or landlord. A "real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). A "real estate board" includes a real estate association. A lease included any rental agreement, sub-lease or renewal of a lease. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For the purposes of this Agreement, the definition of "Tenant" in the phrase "any Property of interest to the Tenant that came to the Tenant's attention from any source whatsoever" 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 introduced to or shown the Property.

2. SERVICES PROVIDED BY THE BROKERAGE: *In compliance with the Real Estate and Business Brokers Act a list of the services to be provided must be set out.*

2. SERVICES PROVIDED BY THE BROKERAGE: It is understood that the Brokerage may assist the Tenant with any or all of the following services, and any other services, as agreed to between the Tenant and the Brokerage:

- to identify the needs of the Tenant.
- to locate available properties that may meet the Tenant's needs.
- to assist the Tenant in negotiations for the lease of any Property of interest to the Tenant (subject to the special provisions for Multiple Representation described below).
- Other: (Attach Schedule if additional space is required)

INITIALS OF BROKERAGE:

INITIALS OF TENANT(S):

3. **RESPONSIBILITIES OF THE TENANT:** While the Brokerage will be providing services, the Tenant also has obligations under this Agreement. One of these will include the obligation respecting commission. The Brokerage is directed to obtain commission from the Listing side but the ultimate responsibility lies with the Tenant.

3. **RESPONSIBILITIES OF THE TENANT:** In consideration of the Brokerage undertaking to assist the Tenant, the Tenant agrees to:
- co-operate with the Brokerage with respect to the Brokerage providing any or all of the services described above, as agreed to between the Tenant and the Brokerage.
 - work exclusively with the Brokerage for the lease of a real Property that meets the Tenant's needs.
 - advise the Brokerage immediately of any Property of interest to the Tenant that came to the Tenant's attention from any source whatsoever during the currency of this Agreement.
 - submit through the Brokerage all offers by the Tenant during the currency of this Agreement to lease a real Property of the general description indicated above.
 - submit through the Brokerage all offers by the Tenant within days after expiration of this Agreement for the lease of any Property that came to the Tenant's attention from any source whatsoever during the currency of this Agreement.

The Tenant agrees the Brokerage is entitled to be paid a commission of

The Tenant authorizes the Brokerage to receive payment of commission from the Landlord of the Property or the Landlord's agent. Should the Brokerage be unable to obtain an agreement in writing from the Landlord or the Landlord's agent to pay the full commission described above, the Tenant will be so informed in writing prior to submitting an offer to lease and the Tenant will pay the commission for the transaction, or any deficiency in the amount of commission described above, directly to the Brokerage.

The Tenant agrees to pay such commission as described above even if a transaction contemplated by an agreement to lease agreed to or accepted by the Tenant or anyone on the Tenant's behalf is not completed, if such non-completion is owing or attributable to the Tenant's default or neglect. The Tenant understands that a failure to negotiate and submit offers through the Brokerage as described herein will make the Tenant liable for payment of commission to the Brokerage. The payment of commission by the Landlord to the Brokerage will not make the Brokerage the agent for the Landlord. All amounts set out as commission are to be paid plus applicable taxes on such commission.

4. **REPRESENTATION:** This paragraph confirms that the real estate company and the salesperson have explained the different types of agency relationships that may occur in a real estate transaction.

4. **REPRESENTATION:** The Tenant acknowledges that the Brokerage has provided the Tenant with written information explaining agency relationships, including information on Landlord Representation, Sub-Agency, Tenant Representation, Multiple Representation and Customer Service.

The Brokerage shall assist the Tenant in locating a real Property of the general description indicated above and shall represent the Tenant in an endeavour to procure the acceptance of an agreement to lease such a Property.

The Tenant acknowledges that the Tenant may not be shown or offered all properties that may be of interest to the Tenant.

The Tenant hereby agrees that the terms of any Tenant's offer or agreement to lease the Property will not be disclosed to any other Tenant. The Tenant further acknowledges that the Brokerage may be entering into Tenant representation agreements with other Tenants who may be interested in the same or similar properties that the Tenant may be interested in leasing and the Tenant hereby consents to the Brokerage entering into Tenant representation agreements with other Tenants who may be interested in the same or similar properties without any claim by the Tenant of conflict of interest. The Tenant hereby appoints the Brokerage as agent for the purpose of giving and receiving notices pursuant to any offer or agreement to lease a Property negotiated by the Brokerage.

MULTIPLE REPRESENTATION: The Tenant hereby acknowledges that the Brokerage may be entering into listing agreements with Landlords of properties the Tenant may be interested in leasing. In the event that the Brokerage has entered into or enters into a listing agreement with the Landlord of a Property the Tenant may be interested in leasing, the Brokerage will obtain the Tenant's written consent to represent both the Tenant and the Landlord for the transaction at the earliest practicable opportunity and in all cases prior to any offer to lease being submitted or presented.

The Tenant understands and acknowledges that the Brokerage must be impartial when representing both the Tenant and the Landlord and equally protect the interests of the Tenant and the Landlord in the transaction. The Tenant understands and acknowledges that when representing both the Tenant and the Landlord, the Brokerage shall have a duty of full disclosure to both the Tenant and the Landlord, including a requirement to disclose all factual information about the Property known to the Brokerage.

However, The Tenant further understands and acknowledges that the Brokerage shall not disclose:

- that the Landlord may or will accept less than the listed rental amount, unless otherwise instructed in writing by the Landlord;
- that the Tenant may or will pay more than the offered rental amount, unless otherwise instructed in writing by the Tenant;
- the motivation of or personal information about the Tenant or Landlord, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the rental amount the Tenant should offer or the rental amount the Landlord should accept; and
- the Brokerage shall not disclose to the Tenant the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Brokerage concerning potential uses for the Property will be disclosed to both Tenant and Landlord to assist them to come to their own conclusions.

Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Tenant understands and agrees that the Brokerage also provides representation and customer service to other Tenants and Landlords. If the Brokerage represents or provides customer service to more than one Landlord or Tenant for the same trade, the Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all Landlords and Tenants of the nature of the Brokerage's relationship to each Landlord and Tenant.

5. **CONSUMER REPORTS:** The following paragraph notifies the Buyer that a personal or credit check may be obtained and referred to.

5. **CONSUMER REPORTS:** The Tenant is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

6. **FINDERS FEES:** In order for a Brokerage/Salesperson to receive any finder's fee it is necessary to receive consent. This section provides that consent. Specific consent will be required when it actually happens.

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

INITIALS OF BROKERAGE:

○

INITIALS OF TENANT(S):

○

7. **INDEMNIFICATION:** This statements sets out the Brokerage and any of its members are not qualified to determine the physical condition of the property and the Tenant is responsible for making their own inquiries.
7. **INDEMNIFICATION:** The Brokerage and representatives of the Brokerage are trained in dealing in real estate but are not qualified in determining the physical condition of the land or any improvements thereon. The Tenant agrees that the Brokerage and representatives of the Brokerage will not be liable for any defects, whether latent or patent, to the land or improvements thereon. All information supplied by the Landlord or the listing brokerage may not have been verified and is not warranted by the Brokerage as being accurate and will be relied on by the Tenant at the Tenant's own risk. The Tenant acknowledges having been advised to make their own enquiries to confirm the condition of the Property.
8. **The Tenant agrees to indemnify the Brokerage and its representatives with respect to any issues resulting from any contaminants or environmental problems.**
8. **ENVIRONMENTAL INDEMNIFICATION:** The Tenant agrees to indemnify and save harmless the Brokerage and representatives of the Brokerage from any liability, claim, loss, cost, damage or injury as a result of any Property of interest to the Tenant being affected by any contaminants or environmental problems.
9. **USE AND DISTRIBUTION OF INFORMATION:** In order to ensure compliance with privacy laws the Tenant consents to use and disclosure of personal information for such purposes as may be necessary in order to give effect to provisions of this Agreement. Further the information that comes as a result of a lease transaction may be retained by the Brokerage and the real estate board for future reference.
9. **USE AND DISTRIBUTION OF INFORMATION:** The Tenant consents to the collection, use and disclosure of personal information by the Brokerage for such purposes that relate to the real estate services provided by the Brokerage to the Tenant including, but not limited to: locating, assessing and qualifying properties for the Tenant; advertising on behalf of the Tenant; providing information as needed to third parties retained by the Tenant to assist in a transaction (e.g. financial institutions, building inspectors, etc...); and such other use of the Tenant's information as is consistent with the services provided by the Brokerage in connection with the lease or prospective lease of the Property.
The Tenant agrees that the lease and related information regarding any Property leased by the Tenant through the Brokerage may be retained and disclosed by the Brokerage and/or real estate board(s) (if the Property is an MLS® Listing) for reporting, appraisal and statistical purposes and for such other use of the information as the Brokerage and/or board deems appropriate in connection with the listing, marketing and leasing of real estate, including conducting comparative market analyses.
The Tenant acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.
10. **SUCCESSORS AND ASSIGNS:** In the event one of the parties dies before closing their heirs and executors are bound by the Agreement.
10. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
11. **CONFLICT OR DISCREPANCY:** In the event something is added to the agreement, for example by way of schedule and the added part is in conflict or there is a discrepancy with a pre-printed clause, then the added part overrides the pre-printed provision.
11. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement 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 provisions added to this Agreement, shall constitute the entire Authority from the Tenant to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
12. **ELECTRONIC COMMUNICATION:** This confirms that communications may occur electronically and will still be binding.
12. **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 Tenant by electronic means shall be deemed to confirm the Tenant has retained a true copy of the Agreement.
13. **ELECTRONIC SIGNATURES:** This clause provides consent if the parties use electronic signatures with respect to this Agreement.
13. **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.
14. **SCHEDULE(S):** If additional terms or specific form or document is added to the form, it should be noted here.
14. **SCHEDULE(S)** attached hereto form(s) part of this Agreement.

This section provides that the Brokerage agrees to represent the Tenant in the process of locating and successfully entering into to an agreement to lease a property. The individual registrant will sign on behalf of the Brokerage.

THE BROKERAGE AGREES TO REPRESENT THE TENANT IN LOCATING A REAL PROPERTY OF THE GENERAL DESCRIPTION INDICATED ABOVE IN AN ENDEAVOUR TO OBTAIN THE ACCEPTANCE OF AN AGREEMENT TO LEASE A PROPERTY ON TERMS SATISFACTORY TO THE TENANT.

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

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein are true to the best of my knowledge, information and belief. SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

..... (Name of Tenant)

| | | | |
|--|--------|--------|------------|
| Signature of Tenant/Authorized Signing Officer | (Seal) | (Date) | (Tel. No.) |
| Signature of Tenant/Authorized Signing Officer | (Seal) | (Date) | (Tel. No.) |

The Declaration of Insurance is signed by the registrant stating 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 Tenant acknowledges they understand the terms of the Agreement and that they have received a copy of the document.

ACKNOWLEDGEMENT

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

..... (Signature of Tenant/Authorized Signing Office) (Date)
 (Signature of Tenant/Authorized Signing Office) (Date)

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