



SINGLE PARTY COMPENSATION AGREEMENT (C.A.R. Form SP, Revised 12/18)

Date Prepared: _____

_____ ("Principal") and _____ ("Broker") agree as follows, with regard to the real property in the City of _____, County of _____, California, described as follows: _____ ("Property").

1. COMPENSATION TO BROKER:

Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the Seller/Landlord ("Principal") and Broker.

Principal agrees to pay Broker, irrespective of agency relationships, either _____ percent of the sales price or total rents for the original term of the lease; or _____ \$ _____, as follows:

- A. (i) If Principal accepts an offer from _____ ("Buyer") to purchase or exchange the Property during the period commencing on (date) _____ and expiring at 11:59 P.M. on (date) _____ ("Compensation Period"), provided Buyer completes the transaction or is prevented from doing so by Principal; (ii) If Principal enters into a lease agreement with _____ ("Tenant") during the period commencing on (date) _____ and expiring at 11:59 p.m. on (date) _____ ("Compensation Period")
B. Buyer and Tenant includes any person or entity related to Buyer or Tenant, or who in any manner acts in Buyer's or Tenant's behalf, including, if Buyer is a corporation, limited liability company, or partnership, any person or entity in which Buyer or Tenant has a legal or beneficial interest, or which has a legal or beneficial interest in Buyer or Tenant.
C. Principal hereby irrevocably assigns to Broker the above compensation from Principal's funds and proceeds in escrow, if applicable.
D. In event of an exchange, Broker will disclose if Broker is also collecting compensation from additional parties.
E. Principal warrants that Principal has no obligation to pay compensation to any other broker regarding the sale, exchange, or lease of Property to Buyer or Tenant.
F. This Agreement shall remain binding, even if, during Compensation Period, Principal enters into a listing agreement with any broker to sell or lease the Property.

BENEFITS OF USING THE MLS; IMPACT OF OPTING OUT OF THE MLS; PRESENTING ALL OFFERS

WHAT IS AN MLS? The MLS is a database of properties for sale or lease that is available and disseminated to and accessible by all other real estate agents who are participants or subscribers to the MLS. Property information submitted to the MLS describes the price, terms and conditions under which the Principal's property is offered for sale or lease (including but not limited to the listing broker's offer of compensation to other brokers). It is likely that a significant number of real estate practitioners in any given area are participants or subscribers to the MLS. The MLS may also be part of a reciprocal agreement to which other multiple listing services belong. Real estate agents belonging to other multiple listing services that have reciprocal agreements with the MLS also have access to the information submitted to the MLS. The MLS may further transmit the MLS database to Internet sites that post property listings online.

EXPOSURE TO BUYERS AND TENANTS THROUGH MLS: Listing property with an MLS exposes a Principal's property to all real estate agents and brokers (and their potential buyer or tenant clients) who are participants or subscribers to the MLS or a reciprocating MLS.

CLOSED/PRIVATE LISTING CLUBS OR GROUPS: Closed or private listing clubs or groups are not the same as the MLS. The MLS referred to above is accessible to all eligible real estate licensees and provides broad exposure for a listed property. Private or closed listing clubs or groups of licensees may have been formed outside the MLS. Private or closed listing clubs or groups are accessible to a more limited number of licensees and generally offer less exposure for listed property. Whether listing property through a closed, private network - and excluding it from the MLS - is advantageous or disadvantageous to a Principal, and why, should be discussed with the agent taking the Principal's listing.

NOT LISTING PROPERTY IN A LOCAL MLS: If the Property is listed in an MLS which does not cover the geographic area where the Property is located then real estate agents and brokers working that territory, and buyers or tenants they represent looking for property in the neighborhood, may not be aware the Property is for sale or lease.

OPTING OUT OF MLS: If Principal elects to exclude the Property from the MLS, Principal understands and acknowledges that: (a) real estate agents and brokers from other real estate offices, and their buyer or tenant clients, who have access to that MLS may not be aware that Principal's Property is offered for sale or lease; (b) Information about Principal's Property will not be transmitted to various real estate Internet sites that are used by the public to search for property listings; (c) real estate agents, brokers and members of the public may be unaware of the terms and conditions under which Principal is marketing the Property.

REDUCTION IN EXPOSURE: Any reduction in exposure of the Property may lower the number of offers and negatively impact the sales price.

PRESENTING ALL OFFERS: Principal understands that Broker must present all offers received for Principal's Property unless Principal gives Broker written instructions to the contrary.

AUTHORITY TO ENTER IN MLS AFTER CLOSE OF ESCROW: Principal gives Broker authority to enter Property in MLS after close of escrow to establish comparable sales or lease data or otherwise comply with MLS rules.

Principal's Initials () ()

Broker's/Agent's Initials () ()



2. AGENCY RELATIONSHIPS:

- A. If the Property includes residential property with one-to-four dwelling units, **commercial property**, or a **mobile home and is involved in a sale or a lease exceeding one year**, Broker shall give **Principal** an agency disclosure form prior to presenting an offer to purchase or lease.
- B. (Check one) In the transaction:
 - 1. Broker will act as agent for **Principal** exclusively in any resulting transaction.
 - 2. Broker will act as dual agent representing both **Buyer/Tenant** and **Principal** in any resulting transaction.
 - 3. Broker will act as agent for **Buyer/Tenant** exclusively in any resulting transaction. **Principal** agrees and understands that all acts of Broker, even those that assist **Principal** in performing or completing any of **Principal's** contractual or legal obligations, are intended for the benefit of **Buyer/Tenant** exclusively. **Principal** is advised to seek real estate, legal, tax, insurance and all other desired assistance from other appropriate professionals.
- C. This Agreement does not require Broker to solicit offers on the Property from **Buyer/Tenant**, nor does it authorize Broker to solicit offers from any other person or entity.

3. EQUAL HOUSING OPPORTUNITY: The Property is offered in compliance with federal, state and local anti-discrimination laws.

4. APPLICABLE LAWS: **Principal** agrees to comply with all applicable federal, state and local laws and regulations regarding sale or lease of Property.

5. ATTORNEY FEES: In any action, proceeding, or arbitration between **Principal** and Broker regarding the obligation to pay compensation under this Agreement, the prevailing **Principal** or Broker shall be entitled to reasonable attorney fees and costs except as provided in paragraph 6A.

6. DISPUTE RESOLUTION:

- A. **MEDIATION:** **Principal** and Broker agree to mediate any dispute or claim arising between them regarding the obligation to pay compensation under this Agreement, before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. **Exclusions from this mediation agreement are specified in paragraph 6C.**
- B. **ADDITIONAL MEDIATION TERMS:** The following matters shall be excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation and arbitration provisions.
- C. **ADVISORY:** If **Principal** and Broker desire to resolve any disputes arising between them through arbitration rather than court, they can document their agreement by attaching and signing an Arbitration Agreement (C.A.R. Form ARB).

7. OTHER TERMS AND CONDITIONS:

8. ENTIRE CONTRACT: All prior discussions, negotiations and agreements between the parties concerning the subject matter of this Agreement are superseded by this Agreement, which constitutes the entire contract and a complete and exclusive expression of their agreement and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. This Agreement and any supplement, addendum, or modification, including any photocopy or facsimile, may be executed in counterparts.

REPRESENTATIVE CAPACITY: This Single Party Compensation Agreement is being signed for **Principal** by an individual acting in a Representative Capacity as specified in the attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S or RCSD-LL). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. **Principal** (i) represents that the entity for which the individual is signing already exists and (ii) shall Deliver to Broker, within 3 Days After Execution of this Agreement, evidence of authority to act (such as but not limited to: applicable trust document, or portion thereof, letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

By signing below, **Principal** acknowledges that **Principal** has read, understands, received a copy of and agrees to the terms of this Agreement.

Principal _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Principal _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Firm) _____ Cal BRE Lic.# _____
Address _____ City _____ State _____ Zip _____

By _____ Tel. _____ E-mail _____ DRE Lic.# _____ Date _____
By _____ Tel. _____ E-mail _____ DRE Lic.# _____ Date _____

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