

## **BUYER REPRESENTATION AGREEMENT**

AGREEMENT DATE: \_\_\_\_/\_\_\_\_/ 201\_\_

\_\_\_\_\_ ("BUYER") hereby appoints Horizon Business Brokers, LLC (hereinafter called "BROKER" as BUYER's agent under the terms specified herein.

It is Horizon Business Brokers, LLC policy to require an advance deposit as security against future fees and disbursement in an amount reasonably anticipated to secure payment for our services. Such advance deposits are generally in an amount estimated to cover our initial marketing and advertising costs to find a business that meets your specific needs or to cover the first couple of hours of activity on your behalf. We require a retainer/advanced deposit of \$\_\_\_\_\_ which will be applied to your final bill or commission due. An invoice of services rendered will be sent monthly in which the client will have 30 days to remit payment.

### **1. Creation of Agency.**

By appointing BROKER as BUYER's agent, BUYER agrees to conduct all negotiations for business and property through BROKER, and to refer to BROKER all inquiries received in any form from M&A advisors, business brokers, private equity firms, venture capitalists, bankers, real estate agents/brokers, salespersons, prospective sellers, or any other source, during the time this Buyer Representation Agreement is in effect.

### **2. Description of Property.**

BUYER desires to purchase an ongoing business and property including assets, goodwill, FF&E, inventory, and purchase/lease real property (which may contain items of personal property) described in the general terms as follows: with such modifications as BUYER may communicate to BROKER, whether verbally or in writing.

### **3. Term of Agreement.**

BROKER's authority as BUYER's agent shall begin on the agreement date set forth above and shall continue until 30 days written notice.

### **4. Disclosure of Broker's Role.**

At the time of initial contact, BROKER shall inform all prospective sellers and their agents, with whom BROKER negotiates pursuant to this Agreement that BROKER is acting on behalf of BUYER. Compensation shall be paid first out of the transaction and if such compensation is not obtainable in full or in part from the seller, it will be paid by the BUYER. Buyer acknowledges that Broker is being retained solely as a Business Broker and not as an attorney, tax advisor, lender, appraiser, structural engineer, inspector, or any other professional service provider. Buyer is

advised to seek professional advice concerning the condition of the business/property, legal, and tax matters.

**5. Broker's Representations and Services.**

BROKER will use BROKER's reasonable efforts as BUYER's agent to locate property as described in Section 2 hereof, and to negotiate acceptance of any offer to purchase or lease such property. BROKER shall make submissions to BUYER describing and identifying properties appearing to BROKER to substantially meet the criteria set forth in Section 2, for the consideration of BUYER.

**6. Cost of Services or Products Obtained from Outside Sources.**

BROKER will not obtain or order products or services from outside sources unless BUYER agrees in writing to pay for them immediately when payment is due.

**7. Compensation of Broker.**

In consideration of the services to be performed by the BROKER, BUYER agrees the BROKER may be compensated in any of the following ways:

- a. If the business/property is subject to a listing agreement with the BROKER, the seller shall pay all fees paid to the BROKER.
- b. If the business/property is subject to a listing agreement with a co-operating broker through the MLS or otherwise, the fee will be the amount equal to the co-operating brokers payout as listed in the MLS, provided that in no case shall that amount be less than 5% of the selling price. BUYER agrees to pay BROKER any difference between the amount received and the stated minimum.
- c. If the business/property is subject to a listing agreement listed by another Brokerage Firm and that Brokerage Firm is not a co-operating broker BUYER will compensate BROKER 5% of the selling price (or \$5,000 minimum fee, whichever is greater).
- d. If the business/property is not subject to a listing agreement, such as for sale by owner, BUYER agrees that the BROKER will be paid a fee of 10% of the selling price (or \$10,000 minimum fee, whichever is greater). BROKER shall first seek to obtain this fee through the transaction and paid by the seller. If the fee cannot be obtained through the seller, the BUYER agrees to pay the fee stated above.
- e. Consultation and Business Valuations will be performed at the hourly rate of Two Hundred Fifty Dollars (\$250.00) per hour and will be billed on a bi-weekly basis, to be paid within Thirty (30) days of billing. Fees from Consultation and Business Valuations performed for the business that is purchased will be credited towards the commission due.

**8. Failure to Close.**

If the seller, in a contract made with BUYER fails to close the transaction, with no fault on the part of the BUYER, the fee provided in Section 7 (a), (b), (c) and (d), shall be waived. If such transaction fails to close due to any fault on the part of BUYER, such fees will not be waived, but will be due and payable immediately.

**9. Disclosure of Buyer's Identity.**

BROKER does have BUYER's permission to disclose BUYER's identity.

**10. Other Potential Buyers.**

BUYER understands that other potential buyers may consider, make offers on, or purchase through BROKER, the same or similar properties as BUYER is seeking to acquire. BUYER consents to BROKER's representation of such other potential buyers before, during, and after the expiration of this agreement. Buyer Broker shall not, however disclose to Buyer the existence of material terms of any other offer for the purchase of any other property made on behalf of other buyers, nor shall Buyer Broker disclose to other buyers the existence or material terms of any offer made by Buyer hereunder.

**11. Modification of Agreement.**

No modification of this Agreement will be binding upon the parties unless made in writing and signed by all parties to this Agreement.

**12. Compliance with the Law**

Horizon Business Brokers, LLC will not violate any law or regulation, including but not limited to laws prohibiting discrimination of any kind. Horizon Business Brokers, LLC will immediately terminate this Agreement if, in its opinion Buyers seeks either to violate any such law or regulation or seeks the assistance of Horizon Business Brokers, LLC in the violation of any such law or regulation.

**13. Indemnification of Buyers Broker**

Buyer will indemnify and hold Horizon Business Brokers, LLC harmless for any loss, claim, damage, cost, expense or reasonable attorney's fee arising under this agreement unless Buyer Broker is at fault. If either party should violate the terms of this Agreement, and should the other party retain an attorney as a result of that violation, the party who violated the Agreement shall pay the other party reasonable attorney fees and costs incurred as a result of the violation.

Agreed and Accepted on agreement date set forth above by:

Signature: \_\_\_\_\_  
(Broker)

Signature: \_\_\_\_\_  
(Buyer)

Dustin Zeher  
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Name: \_\_\_\_\_  
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City, State, Zip: \_\_\_\_\_  
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