

## LETTER OF ENGAGEMENT AND REPRESENTATION

Dear Client:

This letter confirms your engagement of Michael M. Baumann & Co. (the "Company") to represent you in the purchase of real estate in \_\_\_\_\_ County or Counties and any surrounding counties which adjoin \_\_\_\_\_ County or Counties (the "Market Area") upon and pursuant to the terms and provisions of this Letter of Engagement and Representation (the "Agreement").

By your execution of a copy of this letter and the return of this letter to the Company, you grant to the Company the exclusive right to act as your real estate agent for the purpose of acquiring property in the Market Area and in the negotiation of the acquisition of such property, or properties, in this Market Area. You also hereby confirm that you will comply with the provisions of this Agreement and inform all other parties involved, including other Brokers, that the Company is exclusively representing you for the purpose of acquiring property in the Market Area and refer all such persons to the undersigned.

As your Broker, the Company will use their best efforts to assist you in acquiring property in this Market Area and assist you in negotiating the acquisition of such property and otherwise completing the provisions of this Agreement and the agreement that you enter into for such purchase.

The term of this engagement and agreement shall be from the date of this letter and shall end on \_\_\_\_\_.

If you acquire a property, or properties, during the term of this Agreement, you will pay to the Company a commission equal to \$15,000.00 or \_\_\_\_\_% (\_\_\_\_\_ percent) of the gross sales price for each of the properties acquired in the Market Area, whichever is greater, subject to any credits as described hereinafter. We will seek to obtain payment of such commission first from the Seller or other Broker or other parties to the transactions, but if such persons refuse to pay the amount due, you agree to pay that amount less, of course, any sums we receive from such other persons. You will be apprised of any commission obligations prior to executing any contracts for the acquisition of properties. If any commission is due from you, you will pay such commission as a part of the closing settlement when the purchase contract for each transaction is closed and completed.

If you enter into an agreement for the purchase of any property, or properties, during the term of this Agreement, but the closing of the property, or properties, is after the end of the period specified above, then this Agreement shall be extended for the period necessary to complete the transaction made the subject of any such agreement for the purchase of such property, or properties, in the Market Area.

If within one hundred eighty (180) days after the termination of this Agreement, you enter into an agreement for the purchase of any property, or properties, presented to you during the term of this Agreement you shall be obligated to notify the Company in writing of such agreement to purchase, and pay to the Company at the closing of such property, or properties, the fee as specified above.

While the Company will act exclusively for you during the term of this Agreement, you understand and acknowledge by execution of a copy of this letter that our firm may represent others with respect to the properties identified, shown or discussed with you during the term of this Agreement and otherwise act on their behalf with respect to such properties after the term of this Agreement ends.

If either party fails to comply with the terms of this Agreement the other party shall have all rights and remedies of law and equity with respect to such failure and default including, without limitation, the right to recover attorneys' fees and costs incurred by such party and in any proceeding pertaining to this Agreement or any transaction related to this Agreement, the party who is the prevailing party in such proceeding shall recover from the other party all costs and attorneys' fees.

Broker's fees and the sharing of fees between brokers are not fixed, controlled, recommended, suggested, or maintained by the Association of Realtors or any listing service.

Broker's services are provided without regard to race, color, religion, national origin, sex, disability or familial status. Local ordinances may provide for additional protected classes (e.g. status as a student, marital status, sexual orientation, or age).

Broker is not a property inspector, surveyor, engineer, environmental assessor, or compliance inspector. You should seek experts to render such services for any property you consider for acquisition.

If you purchase property, you should have an abstract covering the property examined by an attorney of your selection, or you should be furnished with or obtain a title policy.

Broker cannot give legal advice. **READ THIS AGREEMENT CAREFULLY.** If you do not understand the effect of this Agreement, consult your attorney **BEFORE** signing.

Sincerely,

Michael M. Baumann & Co.

By: \_\_\_\_\_

The undersigned client acknowledges receipt of this letter and confirms the terms of this letter and agrees to be bound by the terms and provisions of this letter and all obligations hereunder.

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(Name)  
(Address)  
(Telephone No.)  
(Fax No.)

Date: \_\_\_\_\_