

AGREEMENT TO PAY REFERRAL FEE

This Agreement is made between _____, Referring Broker,
and _____, Transaction Broker, concerning the referral
of (name) _____ ("Principal")
(address) _____
(telephone) _____ (fax) _____ (e-mail) _____.

1. Fee. In consideration of the referral of the above-named Principal, Transaction Broker hereby agrees to pay to the Referring Broker _____% of the total commission received by the Transactional Broker or, if checked , \$ _____, to be paid to Referring Broker at close of escrow or other completion of the transaction, provided that Transactional Broker receives compensation for the sale, purchase or lease of property by the Principal within one year from the date of this Agreement.

2. Attorney Fees. In any action, arbitration, or other proceeding involving a dispute between the parties arising out of this Agreement, whether for tort or for breach of contract, and whether or not brought to trial or final judgment, the prevailing party will be entitled to receive from the other party a reasonable attorney fee, expert witness fees, and costs to be determined by the court or arbitrator.

3. Additional Terms and Conditions.

Referring Broker _____

By (Agent) _____ Date _____

Transaction Broker _____

By (Agent) _____ Date _____

NOTE: The Real Estate Settlement Procedures Act (RESPA) permits "referral arrangements or agreements between real estate agents and real estate brokers." 24CFR 3500.14(g)(v). However, since some state laws preclude any undisclosed compensation by a licensee, it is recommended that the fact that a referral fee is being paid be disclosed to the principal.



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