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**PROCEED TO NEXT PAGE...**



# Tenant Representation Agreement

## Authority for Lease or Purchase

### Form 346

for use in the Province of Ontario

*GENERAL USE: This Form is a contract between a Tenant and a real estate company that gives the real estate company permission to act on the Tenant's behalf in the lease of a property. Assuming the Tenant is a Client of the real estate company, the Real Estate and Business Brokers Act, 2002 (REBBA) Code of Ethics requires that Salespeople have a written Tenant Representation Agreement presented for signature prior to an offer being presented on behalf of the Tenant.*

*The section at the top identifies the parties involved in the Agreement and sets the time frame for which the contract is valid. The REBBA Code of Ethics requires the Tenant's initials on this Form if the Agreement is to extend beyond six months. This section also identifies the general description of the property which is being sought by the Tenant.*

### This is an Exclusive Tenant Representation Agreement, Authority for Lease or Purchase

**BETWEEN:**

**BROKERAGE:** ....., (the "Brokerage")

**ADDRESS:** .....

**AND** (Tel. No.) (Fax No.)

**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): .....

*This is the area within which the Tenant and real estate company agree that the Tenant is interested in leasing or buying a property.*

Geographic Location: .....

*The Tenant is warranting that the Tenant has not entered into any representation agreement with another real estate brokerage.*

**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 or purchase of a real property of the general description indicated above.** (Tenant's Initials)

*The Definitions and Interpretations section defines the terms that follow in the document, including Tenant, landlord, seller, buyer, lease, etc.*

**1. DEFINITIONS AND INTERPRETATIONS:** For the purposes of this Agreement ("Authority" or "Agreement"):  
"Tenant" includes a lessee, purchaser, buyer, a "landlord" includes a lessor, vendor, seller or a prospective lessor, vendor or seller and a "real estate board" includes a real estate association. A lease shall be deemed to include the entering into of any agreement of purchase and sale, any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, and 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 purposes of this Agreement, Tenant 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.

**INITIALS OF BROKERAGE:**

**INITIALS OF TENANT(S):**

*This section of the Agreement sets the structure for the commission to be paid to the real estate company. It states that the Tenant agrees to pay a commission to the real estate company the detail of which is set out in this section. The real estate company is entitled to commission when the Tenant enters into an agreement to lease or buy a property during the term of the Tenant Representation Agreement or the holdover period. The commission is to come from the other side. If it turns out that there isn't enough the Tenant will make up the difference.*

**2. COMMISSION:** In consideration of the Brokerage undertaking to assist the Tenant, the Tenant agrees to pay commission to the Brokerage as follows: If, during the currency of this Agreement, the Tenant enters into a lease, agreement to lease or purchase of a real property of the general description indicated above, the Tenant agrees the Brokerage is entitled to receive and retain any commission offered by a listing brokerage or by the landlord. The Tenant understands that the amount of commission offered by a listing brokerage or by the landlord may be greater or less than the commission stated below. The Tenant understands that the Brokerage will inform the Tenant of the amount of commission to be paid to the Brokerage by the listing brokerage or the landlord at the earliest practical opportunity. The Tenant acknowledges that the payment of any commission by the listing brokerage or the landlord will not make the Brokerage either the agent or sub-agent of the listing brokerage or the landlord.

If, during the currency of this Agreement, the Tenant enters into a lease or agreement to lease of the general description indicated above, the Tenant agrees that the Brokerage is entitled to be paid a commission of .....

..... or for an agreement to purchase any property of the general description indicated above the Tenant agrees that the Brokerage is entitled to be paid a commission of ..... % of the sale price of the property or .....

..... The Tenant agrees to pay directly to the Brokerage any deficiency between this amount and the amount, if any, to be paid to the Brokerage by a listing brokerage or by the landlord. The Tenant understands that if the Brokerage is not to be paid any commission by a listing brokerage or by the landlord, the Tenant will pay the Brokerage the full amount of commission indicated above.

The Tenant agrees to pay the Brokerage such commission if the Tenant enters into an agreement within ..... days after the expiration of this Agreement (Holdover Period) to lease or purchase any real property shown or introduced to the Tenant from any source whatsoever during the term of this Agreement, provided, however, that if the Tenant enters into a new tenant representation agreement with another registered real estate brokerage after the expiration of this Agreement, the Tenant's liability to pay commission to the Brokerage shall be reduced by the amount paid to the other brokerage under the new agreement.

The Tenant agrees to pay such commission as described above even if a transaction contemplated by an agreement to lease or purchase 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. Said commission, plus any applicable taxes, shall be payable in the case of a lease or tenancy, the earlier of the date of occupancy by the Tenant or the date set for commencement of the lease or tenancy or in the case of a purchase on the date set for completion of the purchase of the property. All amounts set out as commission are to be paid plus applicable taxes on such commission.

**This Agreement applies for the lease or purchase of one real property. Notwithstanding the foregoing, in the event that the Tenant leases a property, this agreement remains in force as set out herein for the purchase of the leased property or a property of the general description indicated above. The leasing of a property by the Tenant does not terminate this Agreement with respect to the purchase of a property.**

*This paragraph confirms that real estate company and the salesperson have provided information and explained the different type of agency and other relationships that may occur in a real estate transaction.*

**3. REPRESENTATION:** The Tenant acknowledges that the Brokerage has provided the Tenant with written information explaining agency relationships, including information on Tenant Representation, Sub-Agency, Landlord 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 a lease, agreement to lease or purchase 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 any Tenant's lease, agreement to lease or purchase 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 or buying 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 or purchase 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 or buying. 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 or buying, 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 lease, agreement to lease or purchase submitted or conveyed.

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 price, unless otherwise instructed in writing by the landlord;
- that the Tenant may or will pay more than the offered price, 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 price the Tenant should offer or the price the landlord should accept; and
- the Brokerage shall not disclose to the Tenant the terms of any other offer.

INITIALS OF BROKERAGE: 

INITIALS OF TENANT(S): 

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 Tenant and the landlord (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 tenant or landlord for the same trade, the Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all tenants and landlords of the nature of the Brokerage's relationship to each tenant and landlord.

*The Tenant is committing to work with the Brokerage and agrees to communicate to the Brokerage any interest in any property that comes to the Tenant's attention. The Tenant will be responsible to pay commission to the Brokerage if the Tenant leases or purchases a property during the term of the Tenant Representation Agreement or the holdover period.*

**4. REFERRAL OF PROPERTIES:** The Tenant agrees that during the currency of this Tenant Representation Agreement the Tenant will act in good faith and work exclusively with the Brokerage for the lease or purchase of a real property of the general description indicated above. The Tenant agrees that, during the currency of this Agreement, the Tenant shall advise the Brokerage immediately of any property of interest to the Tenant that came to the Tenant's attention from any source whatsoever, and all leases, agreements to lease or purchase submitted by the Tenant shall be submitted through the Brokerage to the landlord. If the Tenant arranges a valid agreement to lease or purchase any property of the general description indicated above that came to the attention of the Tenant during the currency of this Agreement and the Tenant arranges said agreement during the currency of this Agreement or within the Holdover Period after expiration of this Agreement, the Tenant agrees to pay the Brokerage the amount of commission set out above in Paragraph 2 of this Agreement, payable within (5) days following the Brokerage's written demand therefor.

*The Tenant acknowledges that the Salesperson and the Brokerage are not qualified to determine the physical condition of the property and the Tenant agrees that the Brokerage will not be liable for any defects.*

**5. 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 seller 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.

*This clause provides consent in the event the Brokerage or salesperson receives a finder's fee or other reward as part of the transaction. It should be noted that specific consent will be required when it actually happens.*

**6. FINDERS FEE:** 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.

*The Tenant acknowledges that credit checks and personal information may be referred to in the process of leasing or purchasing a property.*

**7. 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.

*The following section gives Brokerage the right under the privacy legislation to use personal information provided to them by the Tenant in order to assist in making the transaction happen. It also assures the Tenant that this information will not be distributed to third parties (i.e. moving companies).*

**8. 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 sale and related information regarding any property leased or purchased 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 selling 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.

*This states that heirs, estate trustees or any other party legally acting on behalf of the Tenant must also abide by the terms of this Agreement.*

**9. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

*If something is added to the Agreement (usually in a Schedule) then the provision(s) that were added override the text (preset) provisions in the form.*

**10. 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 Agreement between the Tenant and the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

*This Agreement, if necessary, may be sent via electronic means and still be binding on all parties.*

**11. 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.

*This Agreement can be signed electronically and this paragraph sets out the consent for such signatures.*

**12. 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.

INITIALS OF BROKERAGE:

○

INITIALS OF TENANT(S):

○

If additional terms or a specific form or document is added to the form then it is referred to here.

**13. SCHEDULE(S):**..... attached hereto form(s) part of this Agreement.

This section states that the company representing the Tenant will assist the Tenant in locating a property with a general description as indicated above and endeavor to obtain the acceptance of an agreement for the Tenant.

**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 OR PURCHASE A PROPERTY ON TERMS SATISFACTORY TO THE TENANT.**

The salesperson signs this on behalf of the Brokerage.

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

The Tenant acknowledges having read and understood the terms of the Tenant Representation Agreement.

**THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE 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:

.....  
(Signature of Tenant) (Seal) (Date) (Tel. No.)

.....  
(Signature of Tenant) (Seal) (Date) (Tel. No.)

The Declaration of Insurance is signed by the salesperson stating that they carry insurance as required by the Real Estate and Business Brokers Act (REBBA).

<b>DECLARATION OF INSURANCE</b>	
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 that they understand the terms of this Agreement and have received a copy.

**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) (Date)

.....  
(Signature of Tenant) (Date)