



BROKER DUTIES TO SELLER  
SELLER'S COMPENSATION TO BUYER'S BROKER



PART I

Per New Mexico law, Brokers are required to perform a specific set of applicable Broker Duties. Prior to the time the Broker generates or presents any written documents that has the potential to become an express written agreement, he/she must disclose such duties and obtain written acknowledgement that the Broker has made such disclosures.

**SECTION A:** All Brokers in this transaction owe the following broker duties to ALL buyers and sellers, in this transaction, even if the broker is not representing the buyer(s) in the transaction:

1. Honesty and reasonable care and ethical and professional conduct;
2. Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission rules and other applicable local, state, and federal laws and regulations;
3. Performance of any and all written agreements made with the prospective buyer, seller, landlord (owner) or tenant;
4. Written disclosure of any potential conflict of interest that the broker has in the transaction, including, but not limited to:
  - A. Any written brokerage relationship the Broker has with any other parties to the transaction; or
  - B. Any material interest/relationship of a business, personal or family nature that the Broker has in the transaction; or
  - C. Any written agreement the Broker has with a Transaction Coordinator who shall be providing services related to the transaction.
5. Written disclosure of any adverse material facts actually known by the Broker about the property or the transaction, or about the financial ability of the parties to the transaction to complete the transaction; adverse material facts requiring disclosure do not include any information covered by federal fair housing laws or the New Mexico Human Rights Act.

**SECTION B:** In addition to the above duties, Broker(s) owes the following Broker Duties to the buyer(s) in this transaction, regardless of the scope and nature of those services.

1. Unless otherwise agreed to in writing by the party, assistance to the party in completing the transaction including:
  - A. timely presentation of and response to all written offers or counteroffers; and
  - B. active participation in assisting in complying with the terms and conditions of the contract and with the finalization of the transaction;

If the Broker in the transaction is not providing the service, advice or assistance described in Paragraphs 1A or 1B of this Subsection, the party must agree in writing that the Broker is not expected to provide such service, advice, or assistance. The Broker shall disclose the existence of such agreement in writing to the other brokers involved in the transaction.
2. Acknowledgement by the Broker that there may be matters related to the transaction that are outside the Broker's knowledge or expertise and that the Broker shall suggest that the party seek expert advice on these matters;
3. Advise to consult with an attorney regarding the effectiveness, validity or consequences of any written document generated by the brokerage or presented to the party and that has the potential to become an express written agreement;
4. Prompt accounting for all money or property received by the Broker;
5. Maintenance of any confidential information learned in the course of any prior agency relationship unless the disclosure is with the former principal's written consent or is required by law;
6. Written disclosure of brokerage relationship option available in New Mexico:
  - a. **Exclusive agency:** an express written agreement between a person and a brokerage wherein the brokerage agrees to exclusively represent as an agent the interest of the person in real estate transaction;
  - b. **Dual agency:** an express written agreement that modifies existing exclusive agency agreements to provide that the brokerage agrees to act as facilitator in a real estate transaction rather than as an exclusive agent for either party;
  - c. **Transaction Broker:** The non-fiduciary relationship created by law, wherein a brokerage provides real estate services without entering into an agency relationship.
7. Unless otherwise authorized in writing, a broker who is directly providing real estate services to a seller shall not disclose the following to the buyer in a transaction:
  - a. that the seller has previously indicated he/she shall accept a sales price less than the asking or listed price;
  - b. that the seller shall agree to financing terms other than those offered;
  - c. the seller's motivation for selling/leasing; or
  - d. any other information the seller has requested in writing remain confidential, unless disclosure is required by law;
8. Unless otherwise authorized in writing, a broker who is directly providing real estate service to a buyer shall not disclose the following to the seller in the transaction:
  - a. that the buyer has previously indicated he/she shall pay a price greater than the price submitted in a written offer;
  - b. the buyer's motivation for buying; or
  - c. any other information the buyer has requested in writing remain confidential, unless disclosure is required by law.



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**PART II**

1. **BROKERAGE RELATIONSHIP:** Broker is working with Buyer in the following capacity: (check applicable)
  - Transaction Broker (Non-Agency Relationship) WITH a Buyer-Broker Agreement
  - Transaction Broker (Non-Agency Relationship) WITHOUT a Buyer-Broker Agreement OR
  - Agent for Buyer WITH a Buyer-Broker Agreement, which includes an Agency Addendum/Provision
  
2. **BROKER DISCLOSURES. (Check all applicable). *Broker shall update all disclosures as needed.***
  - A.  Broker has the following **MATERIAL INTEREST OR RELATIONSHIP OF A BUSINESS, PERSONAL, OR FAMILY NATURE IN THE TRANSACTION.**
  
  
  
  
  
  
  
  
  
  
  
  - B.  Broker has the following knowledge regarding **BUYER’S FINANCIAL ABILITY TO COMPLETE THE TRANSACTION:**
  
  
  
  
  
  
  
  
  
  
  
  - C.  Broker has engaged the following **LICENSED TRANSACTION COORDINATOR (“TC”)** to provide services related to the transaction: \_\_\_\_\_ .

A **TRANSACTION COORDINATOR** is a licensed real estate brokers who have been engaged by the Buyer’s Broker to assist the Buyer’s Broker and the Buyer in the processing of the transaction, which may include gathering information and paperwork, overseeing, and organizing contractual deadlines, communicating, and coordinating with lenders, title companies, inspectors, and the parties to the Purchase Agreement to facilitate the Closing of the transaction. **BROKER DUTIES.** The above-identified transaction coordinator(s) owes you, the Seller, the Broker Duties listed under Section A on Cover Page I, but does NOT owe Broker Duties listed under Section B on Cover Page I.

**SELLER**

Seller Signature	Printed Name	Date	Time
Seller Signature	Printed Name	Date	Time

If additional signature lines are needed, please use NMAR Form 1150 – Signature Addendum



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1. PROPERTY.

Address City State Zip Code

Legal Description
or see metes & bounds description attached as Exhibit \_\_\_\_\_, \_\_\_\_\_ County, New Mexico.

- 2. COMPENSATION. Seller shall pay Buyer’s Brokerage compensation of \_\_\_\_\_ plus applicable gross receipts tax upon closing of the sale of the Property to [ ] any Buyer represented by Buyer’s Brokerage at the time of the Closing or [ ] (specific Buyer) \_\_\_\_\_ provided said buyer is represented by Buyer’s Brokerage at the time of the Closing. Buyer’s Brokerage’s representation of Buyer does not require Buyer’s Brokerage to have a written representation agreement with Buyer. “Closing” is defined as a series of events by which Buyer and Seller satisfy all of their obligations under a Purchase Agreement, including, but not limited to Seller’s transfer of legal title or in the case of a Seller Financing - Real Estate Contract, equitable title to the Buyer.
3. TIMING OF PAYMENT AND AUTHORIZATION TO TITLE COMPANY. Compensation shall be due at time of Closing of sale of Property and Seller hereby authorizes title company/agent to disburse Compensation directly to Buyer’s Brokerage upon Closing of Property.
4. TERM. The Term of this Agreement shall begin on \_\_\_\_\_ and terminate at 11:59 pm Mountain Time on \_\_\_\_\_. If the Property is under Contract or the Seller is negotiating the sale, lease or exchange of the Property with a buyer identified in Paragraph 2 on the date this Agreement would otherwise terminate, the term shall automatically be extended through the Closing of the sale of the Property. The word "Term" as used in this Agreement shall include all extensions.
5. MEDIATION. If a dispute arises between the parties relating to this Agreement, the parties shall submit the dispute to mediation, jointly appoint a mediator and share equally the costs of the mediation. If a mediator cannot be agreed upon or mediation is unsuccessful, the parties may enforce their rights and obligations under this Agreement in any manner provided by New Mexico law.
6. ATTORNEY FEES AND COSTS. Should any aspect of this Agreement result in arbitration or litigation, the prevailing party of such action shall be entitled to an award of reasonable attorneys’ fees and court costs.
7. COUNTERPARTS. This agreement may be executed in one or more counterparts, each of which is deemed to be an original, and all of which shall together constitute one and the same instrument.
8. GOVERNING LAW AND VENUE. This Agreement is to be construed in accordance with and governed by the internal laws of the State of New Mexico without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of New Mexico to the rights and duties of the parties. Each party hereby irrevocably consents to the jurisdiction and venue of the state and federal courts located in the county in which the Property or any portion of the Property is located in connection with any claim, action, suit, or proceeding relating to this Agreement and agrees that all suits or proceedings relating to this Agreement shall be brought only in such courts.
9. SEVERABILITY. If any portion of this Agreement is found by any court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.
10. ENTIRE AGREEMENT. This Agreement contains the entire Agreement between the parties relating to the subject matter and supersedes any previous agreements, arrangements, undertakings or proposals, oral or written. This Agreement may be varied only by a document signed by both parties.

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**⚠️ IMPORTANT NOTICE TO SELLER AND BUYER ⚠️**

Neither the National Association of Realtors®, the New Mexico Association of REALTORS®, nor any local board of Realtors® fixes, controls, recommends, suggests or maintains compensation rates for services to be rendered by members to consumers (Buyers, Sellers, Landlords/Owners or Tenants) or the division, if any, of compensation between a listing broker and a cooperating broker in a transaction. The amount of compensation and other terms of this Agreement are not prescribed by law and are subject to negotiation between the parties to this Agreement.

**SELLER(S)**

\_\_\_\_\_  
Seller Signature Printed Name Date Time

\_\_\_\_\_  
Seller Signature Printed Name Date Time

**BUYER’S ACKNOWLEDGMENT OF COMPENSATION**

\_\_\_\_\_  
Buyer Signature Printed Name Date Time

\_\_\_\_\_  
Buyer Signature Printed Name Date Time

**BUYER’S BROKER**

\_\_\_\_\_  
Broker Name Broker’s NMREC License No.

\_\_\_\_\_  
If different Broker’s Qualifying Broker’s Name Broker’s Qualifying Broker’s NMREC License No.

\_\_\_\_\_  
Brokerage Firm Office Phone Fax

\_\_\_\_\_  
Brokerage Address City State Zip Code

\_\_\_\_\_  
Email Address

Broker  is  is not a REALTOR®

If additional signature lines are needed, please use NMAR Form 1150 – Signature Addendum