

The law requires that all real estate licensees present this information to prospective sellers, landlords, buyers or tenants.
Information on Agency Relationships

What to Know Before Working with a Real Estate Broker

Re: 401 Franklin Street
Houston, TX

Transaction Svc. Professional: **Scot C. Farber, CCIM - Grubb & Ellis Company**
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Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER: The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER: The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY: A broker may act as an intermediary between the parties. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent

must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed and associated with the broker to communicate with and carry out instruction of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instruction of the other party.

If You Choose to Have a Broker Represent You, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Broker asks that you acknowledge receipt of this information on agency relationships for broker's records.

Seller/Landlord/Lessor Date

Purchaser/Tenant/Lessee Date



CONFIDENTIALITY STATEMENT
401 Franklin Street
HOUSTON, TEXAS

Please return to 972-354-6023
Attn: Scot C. Farber

The undersigned has been advised that Grubb & Ellis has been retained on an exclusive basis by the Owner with respect to the offering for sale of 401 Franklin Street (the "Property"). The Owner has indicated that all inquiries and communications with respect to the contemplated sale of such Property be directed to Grubb & Ellis. All fees due Grubb & Ellis in connection with the sale of the Property shall be paid by the Owner. The undersigned hereby acknowledges that it is a principal or an investment advisor in connection with the possible acquisition of the Property and agrees that it will not look to the Owner, the Owner's Lender or Grubb & Ellis for any fees or commissions in connection with the sale of the Property. The undersigned also hereby acknowledges that it has not dealt with any broker, other than Grubb & Ellis, regarding the acquisition of the Property, or if it has, the undersigned hereby agrees to indemnify the Owner, the Owner's Lender and Grubb & Ellis against any compensation, liability or expense, arising from claims by any other broker or other party the undersigned had dealings with (excluding Grubb & Ellis) in connection with the sale of the Property.

The Owner has available for review certain information ("Confidential Information") concerning the Property. On behalf of the Owner, Grubb & Ellis may make such Confidential Information available to the undersigned upon execution of this Confidentiality Statement. The Confidential Information is intended solely for your own limited use in considering whether to pursue negotiations to acquire the Property. This is not an agreement to sell the Property nor an offer of sale. No agreement binding upon the Owner of the Property, or any of its associated or affiliated companies, shall be deemed to exist, at law or equity, until the Owner of the Property enters into a formal binding agreement of sale.

The Confidential Information contains brief, selected information pertaining to the business and affairs of the Owner, and has been prepared by Owner and Grubb & Ellis, primarily from information supplied by the Owner of the Owner's agent. It does not purport to be all inclusive or to contain all the information which a prospective purchaser may desire. Neither Grubb & Ellis, the Owner nor the Owner's Lender make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Information and no legal liability is assumed or to be implied with respect thereto.

By executing this Confidentiality Statement you agree that the Information provided is confidential, that you will hold and treat it in the strictest of confidence, and that you will not disclose or permit anyone else to disclose the Information to any person, firm or entity without prior written authorization of the Owner and Grubb & Ellis except that the information may be disclosed to your partners, employees, legal counsel and lenders or pursuant to a court order. Owner expressly reserves the right in its sole discretion to reject any or all proposals or expressions or interest in the property and to terminate discussions with any party at negotiations you hereby agree to return the Confidential Information to Grubb & Ellis.

On Behalf of Prospective Purchaser:

Co-Broker (If Any): Any fees to Purchaser's Broker are to be paid by Purchaser: Grubb and Ellis shall not be responsible for any commissions or fees to Purchaser's Broker

Company: _____

Company: _____

Address: _____

Address: _____

City, State, Zip: _____

City, State, Zip: _____

Telephone: _____

Telephone: _____

Facsimile: _____

Facsimile: _____

E-mail: _____

E-mail: _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

Signature: _____

Signature: _____