

**COOPERATING BROKER AGREEMENT**

**SECTION A. BACKGROUND**

1. This Cooperating Broker Agreement (this "**Agreement**") is attached to the Sales Contract (the "**Contract**") for the purchase and sale of the leased fee interest in Apartment No. \_\_\_\_\_, of Waikiki Sunset, TMK No. (1) 2-6-028-011-\_\_\_\_\_. Unless otherwise defined, the capitalized terms in this Agreement shall have the respective meanings set forth in the Contract.

2. "**Sellers' Broker**" is Hawaiian Island Homes Ltd., 931 University Ave., Suite 105, Honolulu, Hawaii 96826 (Phone No.: (808) 955-6632; Fax No.: (808) 946-3224).

3. The cooperating broker is "**Buyer's Broker**" and identified as follows:

Name: WALTER W. FLOOD License No. RB 12512

Broker or  
Brokerage Company: WALT FLOOD REALTY

Address: 2092 KUHIO AVE # 1903  
HONOLULU HI 96815-2134

Other Information: Phone No. 808-922-1659 Fax No. 866-922-8884 Email WALT.FLOOD@HAWAII.RR.COM

**SECTION B. AGREEMENTS**

1. Buyer's Broker represents and warrants to Sellers and agrees as follows:

(a) Buyer's Broker represents only Buyer in this transaction, Buyer's Broker (i) does not represent Sellers and is not an agent or subagent of Seller, and (ii) is not an agent or subagent of Sellers' Broker;

(b) Buyer's Broker (i) has read and understands the terms and conditions of the Contract; (ii) is able to assist and shall assist Buyer in the Closing of the purchase of the Property by Buyer, and (iii) shall accept notices on behalf of Buyer and shall promptly communicate such notices to Buyer;

(c) Sellers shall have no obligation to Buyer's Broker and Buyer's Broker shall have no claim against Sellers for any commission; and

(d) The Contract does not provide for liquidated damages in the event of Buyer's default, except for Buyer's deposit of \$1,000, which, after the payment of Escrow's fee and costs, shall be payable only to Sellers and not to Sellers' Broker or Buyer's Broker.

2. Buyer's Broker confirms and agrees that Buyer's Broker has not made and shall not make any representations to Buyer that are not contained in the Contract. In particular, Buyer's Broker has not made any representations to Buyer concerning (a) any economic benefit to be derived from the purchase or ownership of the Property or (b) the condition of the Property. **IF BUYER'S BROKER BREACHES THIS AGREEMENT, BUYER'S BROKER SHALL AUTOMATICALLY FORFEIT THE COMMISSION PROVIDED IN SECTION 3.**

3. Sellers' Broker agrees to pay to Buyer's Broker through Escrow at Closing two percent (2%) of the Purchase Price of the Property (excluding any extension fees) in consideration of the representation and assistance provided by Buyer's Broker to Buyer. Buyer's Broker acknowledges and agrees that no right to receive any portion of the commission from Sellers' Broker exists unless and until the sale of the Property actually Closes through Escrow as provided in the Contract. Specifically, in the event the Contract is terminated or cancelled for any reason, no sums shall be payable or due to Buyer's Broker. For this Agreement to be valid, Buyer must state, in paragraph IV on the first page of the Contract, that Buyer is represented by Buyer's Broker. In addition, Buyer's Broker agrees that if there is an assignment of the Contract and the assignee (purchaser of the leasehold interest) is represented by a licensed broker ("**Assignee's Broker**"), any sharing of the commission with Assignee's Broker must be addressed in the Assignment of Sales Contract and Consent and Sellers may withhold its consent to such an assignment unless an agreement is reached between Buyer's Broker and Assignee's Broker.

4. In the event of a dispute regarding commissions between or among Sellers' Broker, Buyer's Broker, and/or any Assignee's Broker, Escrow is hereby authorized to Close the transaction and disburse Sellers' proceeds except for the amount of any disputed commission, which shall be held by Escrow pending resolution of such disputes.

Sellers' Broker and Buyer's Broker have signed this Agreement as set forth below.

Dated: \_\_\_\_\_

Hawaiian Island Homes Ltd.

Authorized Signature \_\_\_\_\_

Dated: \_\_\_\_\_

Buyer's Broker \_\_\_\_\_

Authorized Signature \_\_\_\_\_