## Real Estate Brokerage

Agreement with the Owner / Tenant



A real estate broker should conclude a brokerage agreement with the owner or tenant to search for a property.

#### What is the importance of the agreement?

It guarantees your rights as a broker in the event a lease is finalized.

It clarifies the brokerage period and the commission due.

It documents the relationship between you and the other party while the broker is searching for a unit for the tenant and before the official lease agreement is signed on the Ejar network.

This agreement does not substitute the lease agreement but precedes it to organize the contractual relationship.





# A Buyer Seeking a Property

and You are the Real Estate Broker



It is necessary to have a brokerage agreement with the buyer that defines the tasks and obligations from the beginning, which preserves rights and reduces disputes.

When concluding a brokerage agreement, it is advised to:

Document the agreement between the two parties before commencing the brokerage.

Define the scope of service (property type, location, budget).

Clarify the rights of both parties and the broker's fees.





# Real Estate Brokerage Agreement

(Sale - Lease)

A licensed real estate broker wishes to document the relationship between them and the parties to the lease agreement. The brokerage agreement ensures clarity of the agreement between the broker, lessor, lessee, seller, and buyer, and defines the scope of work and the right to commission and deposit (Arboun).

Before dealing and contracting with a real estate broker, ensure the following:

The validity of the brokerage license.

Verification of the correct entry of property and party data in accordance with official documents.





# Real Estate

Brokerage Licensing for Establishments

A new establishment or real estate office wishes to provide brokerage or real estate marketing services to enable it to operate officially within the real estate sector and to document contracts electronically.

#### Licensing requires:

A valid commercial registration that includes the activities to be licensed (real estate brokerage activity).

A training certificate for the establishment's manager or its employees for the activity's qualifying program, accredited by the Real Estate Institute.

The responsible manager must be of full legal capacity, not convicted of a crime against honor or trust, unless they have been rehabilitated. Payment of the financial fee for the license.

The responsible manager must be qualified to practice the activity as determined by the Authority.

Any other conditions stipulated in the organizational regulations.





# Real Estate

### Brokerage Licensing for Individuals

An individual who wishes to practice real estate brokerage activity as an independent practitioner.

The Real Estate General Authority grants an official permit that allows them to:

The Real Estate General Authority grants an official permit that allows them to:

Practice brokerage in a regulated manner, including concluding real estate brokerage contracts with the owner/buyer on the brokerage platform.

Advertise and market the property.

The ability to link the deposit (Arboun) with the brokerage contract/property advertisement upon its payment by the tenant to the platform to secure their right to the commission.

#### **Licensing requires:**

A valid national ID.

Reaching the age of 18.

Passing the qualifying program for the activity, accredited by the Real Estate Institute.

The applicant must be of full legal capacity, not convicted of a crime against honor or trust, unless they have been rehabilitated.

Payment of the financial fee for the license.

Any other conditions stipulated in the organizational regulations.





# Key Obligations

of the Broker After Concluding a Real Estate Brokerage Agreement

<b>Practice</b>	
of Activity	

The brokerage activity must be practiced by the individual broker themselves, or for licensed establishments, by the responsible manager and qualified employees.

### Refraining from Harming Clients' Interests

Not to perform any act or refrain from any act that may harm the interests of their clients or conflict with the provisions of the system.

### Maintaining The real es secrets of t brokerage.

The real estate broker must not disclose any secrets of the transactions subject to the brokerage.

### Verification of Information and Data:

To exercise the necessary diligence to verify the information obtained from the property owner or usufructuary and to verify the data in the related documents.

#### Disclosure of Information:

When presenting the property, the real estate broker must disclose the information obtained from the property owner or usufructuary and not provide any misleading information about the property.

## Registration of Contracts and Deals:

To accurately register all brokerage contracts concluded, and all real estate deals completed, on the Authority's brokerage platform.

## Handover of Deposits (Arboun):

The deposit must be paid through the real estate brokerage platform. If the broker receives it, they are obliged to deposit and document it on the platform according to the approved regulations.





# Types of Brokerage

## Agreements and Their Requirements

#### What are the basic requirements to conclude a brokerage agreement?

The real estate broker, whether an individual or an establishment, must have a "Fal" license for brokerage and marketing.

The basic data of the property to be sold or leased must be available.

The data of the second party (property owner or potential buyer/tenant) must be available, such as ID, commercial registration, or the unified number for the company.

#### **Real Estate Brokerage Agreement** with the Owner

A contract between the real estate broker and the owner, allowing the broker to market the property and find a buyer or tenant according to the agreed-upon terms.

- Requires a "Fal" license and the property and ownership data.
- The service is available to individual brokers and establishments. The contract is created and approved via the platform.
- The service is immediate.

#### **Brokerage Agreement** between the **Buyer/Tenant and the** Broker

A person looking for a property to buy or lease can contract with a broker to search for a property with specific specifications.

- Requires a "Fal" license and data of the required properties.
- The contract is created and approved via the platform.
- The service is immediate.

#### **Real Estate Auction Contract**

A contract between a licensed real estate broker and the owner to hold an auction for the property.

- Requires a "Fal" license for real estate auctions.
- The contract is created and approved via the platform. The service is immediate.
- **Real Estate Consultation Contract**

An agreement between the real estate broker and the beneficiary party

- to provide specialized consulting services in the real estate sector.
- Requires a "Fal" license for real estate consultations. The contract is created and approved via the platform.
- The service is immediate.

#### **Broker-to-Broker Brokerage Contract:**

To establish and document the relationship between real estate brokers by concluding a sub-brokerage contract between the primary broker and the sub-broker.

- The contract specifies the amount or percentage of the commission, the mechanism for distributing the deposit, and is approved by both parties.
- Requires a valid brokerage agreement with the owner.
- The term of the sub-contract must not exceed the end date of the main contract or the license of the primary and sub-broker.







Real Estate Brokerage System

The Executive Regulation of the Real Estate Brokerage System includes

#### chapters 7 | articles 27

- Provisions, conditions, and procedures for licensing.
- License duration, renewal, and cases of expiration.
- Register of real estate brokers.
- Controls for practicing real estate brokerage and its services.
- Provisions for security deposits and down payments (Arboun).
- Supervision, inspection, and enforcement.
- Committee for reviewing system violations and imposing penalties.

#### Professionals in the Field (Real Estate Practitioners):



Real estate brokers



real estate consultants



real estate auctioneers



real estate marketers



property managers



facility managers



real estate market analysts

Beneficiaries from the Community:



lessors



tenants



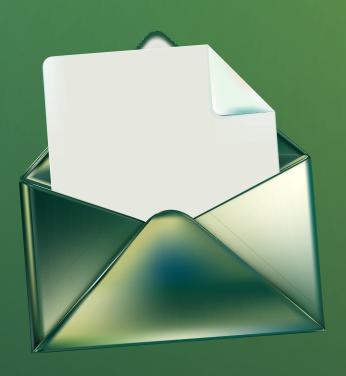
Property owners





# Common Mistakes

That Hinder the Registration of Real Estate Brokerage Contracts



In case the "Send for Approval" box does not appear and you are unable to send the contract for approval:

Ensure all mandatory fields are completed.

Verify the correctness of the other party's data (Name - ID - Description).

Try using a different browser or another device.





# Common Mistakes

If you are unable to add a party (individual) to the contract, check the following

If you are unable to add a party (individual) to the contract, check the following:

The second party must register on the platform before the contract is

The correctness of the data (ID number, date of birth, nationality).



Contact the other party and ask them to log in to the platform to activate the account.





# Real Estate Marketing Agreement

The real estate broker should conclude a marketing agreement with the owner to market the property.

What is the importance of the agreement?

It specifies the duration of the marketing authorization and the financial consideration for the marketing process.

It is used as legal proof to publicly display the property.

It is required to state the basic data of the property within the contract to ensure transparency.



