

Mediation Agreement

This Mediation Agreement is made and effective the (date) year in Budva

Between

Agency Real Estate Budva , as Agent (herein called **Mediator**),

and

_____ as Principal (herein called **Principal**)

Subject of the Agreement

Article 1.

The subject of this Agreement is to define the relationship between **Mediator and Principal** related to sale real estate located on _____, on cadastral plot _____, registered on the property information sheet No. _____ KO Budva, in ownership of the Principal, under the terms and conditions determined by This Agreement.

The PRINCIPAL defines the starting price of real estate at amount of _____ euro,

which the MEDIATOR can use for advertisement and purchase the property defined at Article 1. of This Agreement. The price changing will be dealt orally.

Mediator obligations

Article 2.

The Mediator, as the agent for selling the property, agrees to devote best efforts to sell property as effectively as possible, especially will obligate to do, on behalf the Principal:

- valuation market value of the property, follow and analyze supply and demand on the real estate market
- advertisement the property, which is subject of This Agreement, using promotional marketing material according to purpose and value of the real estate and company policy
- make a presentation of property for potential buyers and showing them the property
- participate in negotiation on behalf the Principal in purpose to make a purchase deal
- present and provide the Buyers paid utility bills and financial cards for yearly tax for the property, which is subject of This Agreement, on behalf the Principal
- organise verification the Pre-contract and Contract by Notary Public
- assist in process of bank payment transfer
- provides discretion for this type of business in way to protect Principal

Principal obligations

Article 3.

THE PRINCIPAL by signing This Agreement, agrees to entrust the selling of property to AGENT and undertake the following obligations:

- *to present all necessary documentation to the AGENT with proof of the ownership for the property which is the subject of This Agreement (property relations, technical, urban, project, construction...)*
- *to clearly and unequivocally inform the Agent about terms and conditions of purchase and about price changing in meantime.*
- *to provide to the AGENT showing the property for potential buyers and cooperate with the Agent in purpose to realize selling the property which is subject to This Agreement.*

Article 4.

The Agent commission is 5% with calculated PDV and will be included at bid price of Principal. This Agreement will be concluded on the day of signing the Contract or taking deposit or advance. In case of termination of the main Contract subsequently, the agent commission can't be back.

Article 5.

The Principal guarantees that, the property, defined as subject of This agreement, is exclusively his/her ownership without rights of other persons which can demishe, limite or exclude the rights of the future owner.

If there is any load on the property, the Principal is obligated to resolve that as soon as possible.

Article 6.

If the Principal, without knowledge and presence of MEDIATOR, or through the other Mediator during the term of This Agreement, concludes Pre-Contract or Contract for property, defined at Article 1. of This Agreement with potential buyer who has been brought by Mediator or relatives or persons who together looking the property with potential buyer, The Principal will pay agent commission defined at This Agreement.

Article 7.

This Contract has been concluded for _____ months, and can be continued by agreement of Contract parties.

Article 8.

The Contract parties agree to act and cooperate with full respect, and obligate to resolve all possible controversies during the realisation process by agreement.

Otherwise the Court in Kotor is competent for resolving the disputes.

This contract shall be executed in two original copies, and Contract parties shall receive the one original copy.

FOR MEDIATOR

THE PRINCIPAL
