



(Form 2) IOWA REAL ESTATE AGENCY RELATIONSHIPS DISCLOSURE

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should understand what type of agency relationship or representation you wish to have with that agent.

Seller's Agent or Subagent

A broker under an agency agreement with a Seller acts as the agent for the Seller only. A subagent, or "cooperating agent", is one who has agreed to work for the Seller's agent, normally through a multiple listing service. Thus, a subagent may work in a different real estate office from the Seller's agent. A Seller's agent or subagent has, without limitation, the following affirmative obligations:

To the Seller:

(a) A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honesty and good faith.

(c) A duty to disclose all material facts known to the agent affecting the property that are not known to, or within the diligent attention and observation of the parties.

A Seller's agent is obligated to reveal to the Seller any information, confidential or otherwise, obtained from the Buyer.

Buyer's Agent

A broker can act as an agent for the Buyer. A Buyer's agent is not the Seller's agent or subagent even if that agent receives compensation from the Seller. A Buyer's agent has, without limitation, the following affirmative obligations:

To the Buyer:

(a) A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and Seller:

(a) Diligent exercise of reasonable skill and care in performance of the agent's duties.

(b) A duty of honesty and good faith.

(c) A duty to disclose all material facts known to the agent affecting the property that are not known to, or within the diligent attention and observation of the parties.

A Buyer's agent is obligated to reveal to the Buyer any information, confidential or otherwise, obtained from the Seller.

Agent Representing Both Seller and Buyer

A Broker acting directly or through an associate licensee, can legally be the limited agent of both the Seller and the Buyer in a transaction, but only with the knowledge and written consent of both the Seller and Buyer. If an agent is representing both the Buyer and the Seller, the agent has, without limitation, the following affirmative obligations, to both the Buyer and the Seller:

(a) A duty of utmost care, integrity, and honesty in the dealings with either Seller or Buyer.

(b) Other duties to the Seller and the Buyer as stated above in their respective sections. If an agent is representing both Seller and Buyer, the agent must have the express permission of the respective party in order to disclose confidential information to the other party, such as the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the asking price.

Duties of Seller and Buyer

The above duties of the agent in a real estate transaction do not relieve a Seller or a Buyer from the responsibility to protect their own interest. Buyers and Sellers should carefully read all agreements to ensure that they adequately express their understanding of the transaction. If legal or tax advice is desired, consult a competent professional in that field.

Acknowledgment

I/We acknowledge receipt of a copy of this disclosure and confirm my/our understanding of the disclosed agency relationship;

Buyer/Seller _____ Date _____

Buyer/Seller _____ Date _____

**THIS IS "SAMPLE LANGUAGE ONLY" AND IS NOT A FORM REQUIRED BY THE IOWA REAL ESTATE COMMISSION.
03/96**

***Please sign, date and Fax to: 708-777-6060 or Mail to: The Realty Dot, Inc. P.O. Box 698, W.P.B., FL 33402**