



Disclosure Regarding Real Estate Agency Relationships



Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of agency relationship you have with that licensee. A real estate transaction is a transaction involving the sale or lease of any legal or equitable interest in real estate consisting of not less than 1 or not more than 4 residential dwelling units or consisting of a building site for a residential unit on either a lot as defined in section 102 of the land division act, 1967 PA 288, MCL 560.102, or a condominium unit as defined in section 4 of the condominium act, 1978 PA 59, MCL 559.104.

Michigan law requires real estate licensees who are acting as agents of sellers or buyers of real property to advise the potential sellers or buyers with whom they work of the nature of their agency relationship.

A broker or salesperson may function in any of the following capacities:

- Represent the seller as a designated seller's agent or subagent
- Represent the buyer as a designated buyer's agent or agent
- Represent both the seller and buyer as a disclosed dual agent, authorized by both the seller and buyer

SELLER'S AGENT

A seller's agent, under a listing agreement with the seller, acts solely on behalf of the seller. A seller can authorize a seller's agent to work with subagents, buyer's agents and/or transaction coordinators. A subagent of the seller is one who has agreed to work with the listing agent, and who, like the listing agent, acts solely on behalf of the seller. Seller's agents and their subagents will disclose to the seller known information about the buyer, which may be used to the benefit of the seller.

The duties that a seller's agent and subagent owe to the seller include:

- Promoting the best interests of the seller
- Fully disclosing to the seller all facts that might affect or influence the seller's decision to accept an offer to purchase
- Keeping confidential the seller's motivations for selling
- Presenting all offers to the seller

BUYER'S AGENT

A buyer's agent, under a buyer's agency agreement with the buyer, acts solely on behalf of the buyer. Buyer's agents will disclose to the buyer known information about the seller, which may be used to benefit the buyer.

The duties a buyer's agent and subagent owe to the buyer include:

- Promoting the best interests of the buyer
- Fully disclosing to the buyer all facts that might affect or influence the buyer's decision to tender an offer to purchase
- Keeping confidential the buyer's motivations for buying
- Presenting all offers on behalf of the buyer

DUAL AGENT

A real estate licensee can be the agent of both the seller and the buyer in a transaction, but only with the knowledge and informed consent, in writing, of both the seller and the buyer.

In such a dual situation, the licensee will not be able to disclose all known information to either the seller or the buyer. As a dual agent, the licensee will not be able to provide the full range of fiduciary duties to the seller or the buyer.

The obligations of a dual agent are subject to any specific provisions set forth in any agreement between the dual agent, the seller and the buyer.

AFFILIATED LICENSEE DISCLOSURE

Only the licensee's broker and the named supervisory brokers have the same agency relationship as the licensee named below. If the other party in a transaction is represented by a salesperson licensed with the Real Estate One Family of Companies, the licensee's named supervisory brokers shall be considered disclosed consensual dual agents.

LICENSEE DISCLOSURE (Check One)

I hereby disclose that the agency status of the licensee named below is:

- Seller's Agent or Subagent
- Buyer's Agent (requires a signed Buyer's Agency Agreement)
- Dual Agent (applicable only when both buyer and seller have signed Listing and Buyer Agency Agreements with the designated agent named below)
- None of the Above

Further, this form was provided to them before disclosure of any confidential information.

Licensee _____

RECEIPT AND ACKNOWLEDGEMENT

By signing below, the parties acknowledge and confirm that: 1) They received and understand the information in the Real Estate One, Inc. Guide to Agency and Home Sales Services booklet and Agency Disclosure (above) and Affiliated Business Arrangement Disclosure (reverse side) forms; 2) The Real Estate One, Inc. Agency Disclosure form was provided to them before they disclosed any confidential information to the licensee; and 3) They understand that Real Estate One, Inc. is referring them to purchase the settlement services described on the reverse side and may receive a financial or other benefit as the result of these referrals.

Buyer/Seller (Circle One)
signature above/print name below

Date Buyer/Seller (circle one)
signature above/print name below

Date

Address:

Business Phone _____

Home Phone _____

Property Address (if any) _____

Office _____

E-mail Address _____