

Real Estate Agency Disclosure

A Consumer Guide To Understanding Agency Relations in Real Estate Transactions

ACKNOWLEDGMENT

This form will be maintained by the real estate licensee for a period of five years.

(see reverse)

- Q: What duties does a dual agent owe to the client?**
A: There are specific statutory duties that the dual agent owes to both buyer/seller and lessor/lessee:
- > To treat all clients honestly
 - > To provide information about the property to the buyer/tenant
 - > To disclose all latent material defects in the property that are known to them
 - > To disclose financial qualifications of the buyer/tenant to the seller/landlord
 - > To explain real estate terms
 - > To help the buyer/tenant arrange for property inspections
 - > To explain closing costs and procedures
 - > To help the buyer compare financing options
 - > To provide information about comparable properties that have sold so both clients may make educated buying/selling decisions

A dual agent **may not** disclose:

- > Confidential information of one client to the other
- > The price the seller/ landlord will take other than the listing price without the permission of the seller/ landlord.
- > The price the buyer/tenant is willing to pay without the permission of the buyer/tenant

Louisiana Real Estate Commission
P. O. Box 14785
Baton Rouge, LA 70898-4785
1-800-821-4529 or 504/925-4771



This information is provided in accordance with R.S. 37:1455(A)(21) and 1467 to help you be more informed in the buying, selling, or leasing of real estate. In whatever manner you choose to be represented, the goal is generally the same. The real estate licensee is trying to assist you in the sale, purchase, or lease of real estate upon terms acceptable to all parties. For additional information, you may contact the Louisiana Real Estate Commission at 1-800-821-4529 or 504-925-4771.



Q: What is the purpose of this brochure?

A: This brochure provides a consumer guide to agency relationships in a real estate transaction. This brochure is informational and is required under Louisiana law to be given to all prospective buyers/sellers and lessors/lessees.

Q: What is a client?

A: A client is one who engages a licensee for professional advice and service as their agent.

Q: What is agency?

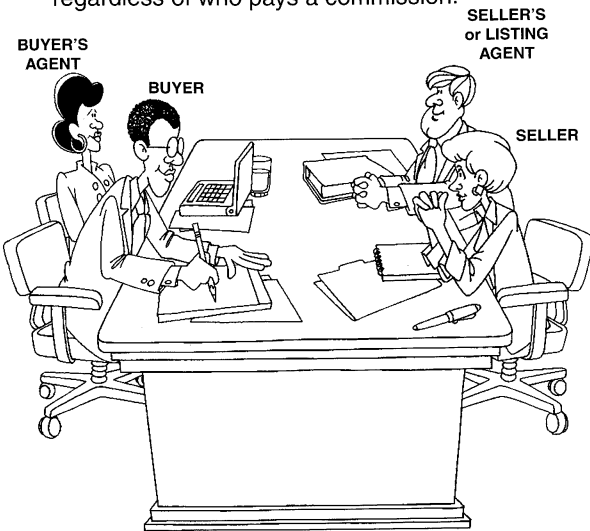
A: Agency is a relationship in which a real estate licensee represents a client in an immovable property transaction.

Q: When is an agency relationship formed?

A: An agency relationship is formed when a real estate licensee works for you in your best interest and represents you. Agency relationships can be formed with buyers/sellers and lessors/lessees.

Q: What is designated agency?

A: Designated Agency is a contractual relationship between a broker and a client. The agent you are working with works for **you**. He/she is your designated agent, and you are his/her client, regardless of who pays a commission.



- > The law presumes that the licensee you work with is your designated agent, unless you have a written agreement otherwise.
- > No other licensees in the office work for you.
- > You should confine your discussions of buying or selling to your designated agent only.

Q: What duties does the designated agent owe to the client?

- A:
- > To obey all lawful requests
 - > To promote your best interests
 - > To exercise reasonable skill and care
 - > To keep information that could materially harm your negotiation position confidential
 - > To present all offers in a timely manner
 - > To seek a transaction at the price and terms acceptable to you
 - > To account for all money or property received from the client in a timely manner

Note: When representing you as a client your agent does not breach their duty to you by:

- > Showing alternate properties to buyers
- > Showing properties in which you are interested to other buyer clients
- > Receiving their compensation based on a percentage of the sales price of the property

Q: What is confidential information?

A: Confidential information is information which, if disclosed, could materially harm the position of the client. Confidential information **does not** include material information about the physical condition of property or information which becomes public from a source other than the licensee.

Q: What happens when my designated agent is also the listing agent?



A: This is "dual agency". Dual agency is allowed only with the informed written consent of all clients. Informed consent is presumed to have been given by any client who signs the dual agency disclosure form prescribed by the Louisiana Real Estate Commission.

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ACKNOWLEDGMENT

The Louisiana Real Estate License Law and the Rules and Regulations of the Louisiana Real Estate Commission require a real estate licensee to provide you with this agency disclosure informational pamphlet.

Your signature below acknowledges receipt thereof. This acknowledgment is not part of a real estate transaction. Your signature only confirms that you have received information on agency law and in no way enters you into a contract.

In accordance with the Rules and Regulations of the Commission, this signed acknowledgment will be maintained for a period of five years. **Copies will be provided upon request.**

Buyer(s)/Lessee(s)

(Signature)

(Print Name/Date)

(Signature)

(Print Name/Date)

Seller(s)/Lessor(s)

(Signature)

(Print Name/Date)

(Signature)

(Print Name/Date)

Licensee

(Signature)

(Print Name/Date)