



AGENCY/POLICY DISCLOSURE AND ACKNOWLEDGEMENT
 (To be signed by Seller or by Buyer at or prior to the time specific assistance is first provided)



When you enter into a discussion with a real estate licensee regarding a real estate transaction, you should from the outset understand who the licensee is representing in the transaction. More importantly, you should understand how that agency relationship impacts on your relationship with the licensee. The term "Broker" shall hereinafter refer to: (Brokerage/firm) Red Hawk Realty LLC, and Broker's affiliated sales associates (licensees). The term "Owner" and/or "Seller" shall hereinafter refer to seller, landlord or optionor. The term "Buyer" shall hereinafter refer to buyer, tenant or optionee.

A. TYPES OF AGENCY REPRESENTATION AND THE POLICY BROKER MAY ELECT UNDER EACH.

Prior to Buyer or Owner giving confidential information they should understand a variety of representation options that exist in real estate transactions. Below is a list of the representation options available and the policy Broker may elect in regard to each. Broker will provide a separate Agreement establishing which agency relationship is offered to Buyer or Owner. Broker has "checked" the appropriate box(s) for the policy that applies to Broker:

- 1. **SINGLE SELLER AGENCY.** Single Seller Agency exists when Broker and Owner enter into an real estate "Listing Agreement" and the property is sold to a "Customer" or by a different real estate company. Broker and Broker's affiliated sales associates policy is to represent the Owner as a "Client" in this case. In Single Seller Agency, Broker does not also represent the Buyer in the transaction.
- 2. **SINGLE BUYER AGENCY.** Single Buyer Agency exists when Broker and Buyer enter into a "Buyer Agency Agreement" and Broker or an affiliated sales associate assist Buyer in writing an offer to purchase property and the property is listed with a different real estate company or offered by owner. Broker and Broker's affiliated sales associates policy is to represent the Buyer as a "Client" in this case. In this type of agency representation the Broker may receive compensation for the transaction from the listing real estate company pursuant to a cooperation agreement between the two companies. In Single Buyer Agency, Broker does not also represent the Owner in the transaction.
- 3. **APPOINTED AGENCY:**
 - a. Appointed Seller Agency exists when Broker appoints an affiliated sales associate, the listing agent, to act on Owner's behalf as a "Client" to the exclusion of all other affiliated sales associates of Broker.
 - b. Appointed Buyer Agency exists when Broker appoints an affiliated sales associate, the selling agent, to act on the Buyer's behalf as a "Client" to the exclusion of all other affiliated sales associates of Broker.
 - 2. In the event an Appointed Licensee personally represents both Owner and Buyer in the same transaction, that Appointed Agency is considered to be a Consensual Dual Agency (see 4. below).
- 4. **CONSENSUAL DUAL AGENCY.**
 - a. When Broker (or an Appointed Seller or Buyer Agent, as defined in 3a and 3b above) both lists and sells the property, it is the policy of Broker and Broker's affiliated sales associates to represent both Owner and Buyer as a Consensual Dual Agency. Under this circumstance, before signing an offer to buy or accepting an offer to buy, please see the "Dual Agency Consent Agreement" for detailed information as to the duties of Broker to both Owner and Buyer, as well as procedures to be followed.
 - b. When Broker and Buyer enter into a "Buyer Agency Agreement", whether exclusive or non-exclusive, and Broker or an affiliated sales associate, assist Buyer in writing an offer to purchase property, and the property is also listed with Broker, it is the policy of Broker to represent both the Owner and Buyer as a Consensual Dual Agency. Under this circumstance, before signing an offer to buy or accepting an offer to buy, please see the "Dual Agency Consent Agreement" for detailed information as to the duties of Broker to both Owner and Buyer, as well as procedures to be followed.
 - c. Representing more than one party to a transaction can create a conflict of interest since both "Clients" may rely on the Licensee's advice. Buyer and Owner are not required to consent to dual agency.
- 5. **SELF REPRESENTATION.** A person(s), partnership, or company (buying or selling) may represent themselves in a transaction. If a Buyer or Owner elect to represent themselves in a transaction, it is the policy of Broker to treat that Buyer or Owner as a "Customer" and not as a "Client".

The reverse side is considered a part of this document.

ACKNOWLEDGEMENT

The undersigned have read this disclosure and understand the type of representation being provided by Broker. The undersigned acknowledge receipt of a copy of this agency disclosure. This is a disclosure notice only. If you do not understand this document, seek the advice of the legal counsel of your choice, before signing. (Circle "Buyer" or "Owner" below as appropriate)

<u>Sherry Brewer</u>	<u>Sherry Brewer</u>	<u>10-3-22</u>
Signature of prospective Buyer/Owner	Print name of prospective Buyer/Owner	Date
Signature of prospective Buyer/Owner	Print name of prospective Buyer/Owner	Date

B. DUTIES OF A REAL ESTATE LICENSEE TO ALL PARTIES TO THE TRANSACTION.

In providing brokerage services to all parties to a transaction, "Client" and "Customer" alike, a licensee (the Broker and its broker associates and salespersons), regardless of the type of agency representation agreed to, shall do all of the following:

1. Provide brokerage services to all parties to the transaction honestly and in good faith.
2. Diligently exercise reasonable skill and care in providing brokerage services to all parties.
3. Disclose to each party all material adverse facts (significant defects or negative circumstances) that the licensee knows except:
 - a. Material adverse facts known by the party.
 - b. Material adverse facts the party could discover through a reasonably diligent inspection and which would be discovered by a reasonably prudent person under like or similar circumstances.
 - c. Material adverse facts the disclosure of which is prohibited by law.
 - d. Material adverse facts that are known to a person who conducts an inspection on behalf of the party.
4. Account for all property coming into the possession of a licensee that belongs to any party within a reasonable time of receiving the property.

C. DUTIES OF A REAL ESTATE LICENSEE TO A CLIENT.

A "Client" is a party to a transaction who has an agency agreement with a broker for brokerage services. A licensee providing brokerage services to a client, regardless of the type of agency representation agreed to, shall do all of the following:

1. Place the client's interests ahead of the interests of any other party, unless loyalty to a client violates the licensee's duties under other provisions of the Iowa Code (such as with Appointed Agency or Consensual Dual Agency) or any other applicable law.
2. Disclose to the client all information known by the licensee that is material to the transaction and that is not known by the client or could not be discovered by the client through a reasonably diligent inspection.
3. Fulfill any obligation that is within the scope of this Agency Disclosure, except those obligations that are inconsistent with other duties that the licensee has under the Real Estate Brokers and Salespersons provisions of the Iowa Code or any other law.
4. Disclose to a client any financial interests the licensee or the brokerage has in any company or business entity to which the licensee or brokerage refers a client for any service or product related to the transaction. The client is not obligated to use any such recommended company, and may select a different company. NOTE: Broker/Licensee (circle applicable) has a financial interest in or an affiliate relationship with the following companies or business entities:

D. DESCRIPTION OF BROKER'S SERVICES.

The Broker may do the following for Sellers and Buyers: Assist Buyer with financing qualification guidelines; Provide helpful information about the property and area; Respond accurately to questions about the property; Disclose all material facts about the property that are known to Broker; Disclose financial qualifications of the Buyer to the Owner; Explain real estate terms and procedures; Explain to Owner and Buyer the benefits of having the property inspected; Explain closing costs and procedures; Help the Owner and Buyer compare financing alternatives; Provide information about comparable properties so Owner and Buyer may make an educated decision on what price to accept and/or offer; Assist with all standard forms, including those that include the necessary protection and disclosures for the Owner and Buyer; and, Work diligently to facilitate the sale and then the closing. The preceding list of services is not intended to be all inclusive, nor will all services listed be necessary in every case. Licensees are not required to answer questions outside of the scope of their real estate license. NOTE: Broker neither offers subagency to, or accepts subagency from, other brokerage companies.

E. GUIDELINES FOR OWNER AND BUYER.

If you are the "Customer" in the transaction, you are advised not to disclose your negotiating position about such things as whether you as a Owner, would take less than the asking price, or you are willing as a Buyer to pay more than the price you offer. Except for information required to be disclosed, if you as either a "Client" or a "Customer", have reason to believe information about your financial status, motivation to sell or buy as well as other personal information, will adversely affect your negotiating position, this should not be disclosed to anyone. Each party to the transaction has the responsibility to exercise good judgement in protecting their respective interests.