

AGENCY/POLICY DISCLOSURE AND DUAL AGENCY POTENTIAL/CONSENT AGREEMENT

REQUIRED TO BE PROVIDED TO EACH PARTY IN A TRANSACTION

(This should be provided as soon as possible and must be signed by the Seller or Buyer before submitting or reviewing any Offer.)

When you enter into a discussion with a Brokerage (and their affiliated real estate licensees) regarding a real estate transaction, you should understand how the Brokerage is representing each party in the transaction. More importantly, you should understand how that agency relationship impacts your relationship with the licensee. **The term "Broker" or "Brokerage" shall hereinafter refer to: (Brokerage/firm)**

The term "Seller" shall hereinafter refer to the seller, landlord, or optionor. The term 'Buyer' shall refer to the buyer, tenant, or optionee. A 'Client' is a party involved in a transaction who has entered into a brokerage agreement with a broker for services. A 'Customer' is a consumer not represented by a licensee but for whom the licensee may perform administrative tasks.

A. FORMS OF AGENCY REPRESENTATION AND THE POLICY THE BROKERAGE MAY CHOOSE UNDER EACH.

Before disclosing any confidential information, Buyers or Sellers should be aware that there are several representation options in real estate transactions. Below is a list of available representation options and the policies the Brokerage may choose for each. The Brokerage will provide a separate agreement outlining the specific agency relationship offered to the Buyer or Seller.

The Brokerage has selected the relevant box(es) to indicate the policy that applies to its practices:

- ☐ **1. SELLER AGENCY. Single Seller Agency** occurs when the Brokerage and Seller enter into an 'Exclusive Listing Agreement' and the property is sold to a 'Customer' represented by a different real estate company. In this scenario, the Brokerage and its affiliated licensees will represent the Seller as a 'Client.' In a Single Seller Agency arrangement, **the Broker does not also represent the Buyer in the transaction.**
- ☐ **2. BUYER AGENCY. Single Buyer Agency** occurs when a Brokerage and Buyer enter into a "Buyer Agreement," where the Brokerage or its associated licensee helps the Buyer make an offer to acquire a property listed by a different real estate firm or offered by the Seller. In this arrangement, the Brokerage and its affiliated licensees act as the Buyer's representative or "Client." The Broker may receive compensation for the deal from the listing firm, as per a cooperation agreement between the two companies. In a Single Buyer Agency, the Broker does not also represent the Seller in the transaction.
- ☐ **3. APPOINTED/DESIGNATED AGENCY.**
- a. Appointed/Designated Seller Agency** occurs when a Brokerage assigns or designates a specific affiliated licensee, the listing agent, to exclusively represent the Seller (Client), excluding all other licensees of the Brokerage.
 - b. Appointed/Designated Buyer Agency** occurs when a Brokerage assigns or designates a specific affiliated licensee, the selling agent, to exclusively represent the Buyer (Client), excluding all other licensees of the Brokerage.
 - c. If an Appointed/Designated Licensee personally represents both the Seller and the Buyer in the same transaction, this type of Appointed/Designated Agency is regarded as Consensual Dual Agency (see 4. below).**

☐ **4. CONSENSUAL DUAL AGENCY.**

- a.** When a Brokerage (or an appointed Seller or Buyer Agent, as described in sections 3a. and 3b. above) is responsible for both listing and selling a property, it is the policy of the Brokerage and its affiliated agents to represent both the Seller and the Buyer in a Consensual Dual Agency. In this case, prior to signing or accepting an offer to purchase, the "Dual Agency Consent Agreement" should be reviewed for detailed information regarding the responsibilities of the Brokerage to both parties and the procedures to follow.
- b.** When a Brokerage and Buyer enter into a "Buyer Agreement," whether exclusive or non-exclusive, and the Brokerage or an affiliated agent assists the Buyer in submitting an offer on a property also listed by the Brokerage, it is the policy of the Brokerage to represent both the Seller and the Buyer in a Consensual Dual Agency. In this case, before signing or accepting an offer, the "Dual Agency Consent Agreement" should be reviewed to understand the obligations of the Brokerage to both parties and the steps involved.
- c.** Representing both parties in a transaction may lead to a conflict of interest, as both the Buyer and Seller may depend on the Licensee's guidance. **Both parties are not obligated to agree to dual agency.**

☐ **5. SELF-REPRESENTATION.** If an individual, partnership, or company (whether buying or selling) is not already engaged in a formal Agency Relationship with a brokerage, they may choose to represent themselves in a transaction. In such cases, the Brokerage's policy is to treat the Buyer or Seller as a "Customer" rather than a "Client." "Clients" are accountable for any commission that may be due based on the terms and conditions of prior agreements.

B. OBLIGATIONS OF A REAL ESTATE LICENSE HOLDER TO ALL INDIVIDUALS INVOLVED IN THE TRANSACTION.

When offering brokerage services to all individuals involved in a transaction, including both "Clients" and "Customers," a licensee (including the Brokerage, its brokers, and sales agents), irrespective of the type of agency relationship established, must perform all of the following duties:

1. Offer brokerage services to all individuals involved in the transaction with honesty and integrity.
2. Apply reasonable skill and care with due diligence when providing brokerage services to all parties.
3. Inform each party of any significant negative information (e.g., major defects or unfavorable conditions) that the licensee is aware of, except in the following situations:

- a. Negative facts that are already known by the party.
 - b. Negative facts that the party could identify through a reasonably thorough inspection, which a reasonable person would uncover under similar circumstances.
 - c. Negative facts whose disclosure is prohibited by applicable law.
 - d. Negative facts that are known to an inspector working on behalf of the party.
4. Handle and account for any property received by the licensee that belongs to any party, within a reasonable timeframe after taking possession of the property.

AGENCY /POLICY DISCLOSURE AND DUAL AGENCY CONSENT AGREEMENT (Continued)

C. RESPONSIBILITIES OF A REAL ESTATE LICENSE HOLDER TO A CLIENT.

A license holder delivering brokerage services to a client—no matter the specific form of agency relationship established—must carry out all of the following actions:

1. Prioritize the client's interests above those of any other party, unless doing so would conflict with the licensee's legal responsibilities under the Iowa Code (such as in the case of Appointed Agency or Consensual Dual Agency) or any other applicable laws.
2. Share with the client all material information related to the transaction that the licensee is aware of, which the client does not know and could not reasonably uncover through diligent inspection.
3. Carry out all responsibilities outlined in this Agency Disclosure, except where such duties conflict with the licensee's other legal obligations under the Iowa Code governing Real Estate Brokers and Salespersons or any other relevant laws.
4. Maintain the confidentiality of the client's private information unless the client provides written authorization to disclose it.
5. Inform the client of any financial stake that the licensee or the brokerage holds in any business or company to which the client is referred for services or products connected to the transaction. The client is under no obligation to use the recommended company and is free to choose an alternative provider. **NOTE: Broker/Licensee (circle applicable) has a financial interest in or an affiliate relationship with the following companies or business entities:** _____.

D. OVERVIEW OF BROKER'S SERVICES.

The Broker may provide the following services to both Buyers and Sellers: (1) Assist Buyers in understanding loan qualification standards; (2) Share useful details about the property and surrounding area; (3) Answer questions about the property accurately; (4) Reveal all significant property details known to the Broker; (5) Inform the Seller of the Buyer's financial capability; (6) Clarify real estate terminology and transaction steps; (7) Advise both parties on the advantages of a property inspection; (8) Explain the costs and procedures involved in closing; (9) Help both Buyer and Seller evaluate financing options; (10) Supply data on similar properties so Buyers and Sellers can make informed decisions regarding price; (11) Assist with the preparation of standard forms, ensuring necessary protections and disclosures are included; and (12) Put forth consistent effort to support the sale process through to closing. (13) Maintain the confidentiality of their client(s) unless written consent is provided to share information. This list is not exhaustive, and not all services listed will be required in every situation. Brokers are not obligated to respond to questions beyond the scope of their real estate licensure. **Please note: The Broker does not offer or accept sub-agency relationships with other brokerage firms.**

E. RECOMMENDATIONS FOR BUYERS AND SELLERS.

If you are participating in the transaction as a "Customer," it is recommended that you avoid sharing your negotiation strategy, such as whether you, as a Seller, would accept less than your asking price, or whether you, as a Buyer, are prepared to offer more than your initial bid. Unless disclosure is legally required, whether you're a "Client" or a "Customer," you should avoid revealing sensitive details—like your financial situation, personal reasons for buying or selling, or any other private information—that could negatively impact your bargaining position. **Ultimately, each party in the transaction is responsible for looking out for their own best interests.**

ACKNOWLEDGEMENT

The individuals signing below confirm they have reviewed this disclosure and understand the forms of representation the Broker may offer. They also acknowledge receiving a copy of this agency disclosure. This document is not a contract but is solely intended to serve as a disclosure notice. Signing this form does not create any obligation. If there is any part of this document that you do not understand, you are encouraged to consult with a legal professional of your choice before signing. This form is not a Buyer Representation Agreement or a Listing Agreement.

Buyer Date / / _____

Buyer Date Seller Date

Agent for Broker Date

REQUEST TO COMPLETE FORM DOCUMENTS

The Buyer/Seller authorizes the Broker to choose, fill out, and finalize standardized form documents as permitted under Iowa law and regulations.

Buyer Date / / _____ Seller Date / / _____

Buyer Date Seller Date

AGENCY /POLICY DISCLOSURE AND DUAL AGENCY POTENTIAL/CONSENT AGREEMENT (Continued)

DUAL AGENCY POTENTIAL/CONSENT AGREEMENT (For in-house showings/sales when Seller & Buyer are "clients")
The Broker's compensation is not mandated by law and can be freely negotiated.

F. DUAL AGENCY POTENTIAL Seller/Buyer should complete this consent form to acknowledge the possibility of Dual Agency. This consent must be obtained prior to any actions that would involve dual agency, such as showing a client's property or obtaining confidential information.

1. DUAL AGENCY POTENTIAL. Seller or Buyer acknowledges that in order for (Broker/Agent) _____ To market the listing(s) to all potential Buyer clients of the Brokerage, there is a possibility of dual agency. The Seller or Buyer understands that during the process of finding properties that meet the Buyer's criteria, the Buyer may request detailed information about or wish to view properties owned by Seller clients of the Brokerage, which creates the potential for dual agency. The Seller or Buyer recognizes that when the Brokerage provides detailed property information or shows a Seller client's property to a Buyer client, the Brokerage automatically becomes a dual agent, assuming a Consensual Dual Agency role.

Buyer (☐ agrees) (☐ does not agree) to the Potential for Dual Agency representation.

Seller (☐ agrees) (☐ does not agree) to the Potential for Dual Agency representation

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If Brokerage becomes a Dual Agent for Property, Seller/Buyer shall need to read, confirm and agree to Dual Agency Consent for the Representation by completing PART G prior to any Offer for Real Estate.

The Brokerage, along with both the Buyer and Seller, acknowledges and gives their consent to Dual Agency before any offer is made.

G. DUAL AGENCY CONSENT

Property _____
 Address _____ City _____ State: _____ ZIP _____

- The Seller and Buyer acknowledge** that the Broker is acting as a Consensual Dual Agent in the transaction involving the sale of the specified property above. Both parties have been previously informed about the possibility of dual agency.
- Termination of Negotiations or sale.** If the Seller and Buyer do not reach an agreement for the purchase and sale of the Seller's property or if an agreement is made but the sale does not close, the dual agency relationship between the Broker and both parties will be considered terminated. The Broker will then revert to representing both the Seller and Buyer under the terms and conditions that were previously agreed upon.

I (we) have reviewed and comprehend this agreement and confirm receipt of a copy. Both the Buyer and Seller are advised to seek guidance from their respective legal counsel.

Buyer		Date: _____	Seller		Date: _____
Buyer		Date: ____/____/____	Seller		Date: ____/____/____
Buyer Agent		Date: ____/____/____	Seller Agent		Date: ____/____/____