

AGENCY DISCLOSURE

This "Agency Disclosure" is provided to inform potential parties to a real estate transaction of the various agency choices available to them and to formally disclose the specific relationships of the brokerage agents in the transaction contemplated. Michigan licensing law requires real estate licensees who are acting as agents of any party to a real estate transaction to advise the parties in the transaction of the nature of their agency relationship with their client.

A real estate agent may function in any of the following capacities: (i) as a representative of the property owner, either as their direct agent or as a sub-agent of another direct agent; or (ii) as representative of the prospective user, whether that party is a buyer or tenant; or (iii) as an independent transaction coordinator, engaged not to represent or advocate for either party, but rather to facilitate a transaction; or (iv) as a disclosed dual agent, representing both parties in the transaction with their advance knowledge and authorization. Before you disclose confidential information to a real estate agent regarding a prospective transaction, you should understand what type of agency relationship you have with that licensee. Some of the agency relationships are defined in greater detail below.

SELLER'S AGENT

Under a listing agreement, a **"Seller's Agent"** (which includes landlord's agents) acts solely on behalf of its client, the Seller (which includes landlords). Under this arrangement, Seller's can authorize a Seller's Agent to work with subagents, "Buyer's Agents", and/or "Transaction Coordinators". A sub-agent is any real estate agent who has agreed to work with the Seller's direct Seller's Agent and, who like the Seller's Agent, also acts solely on behalf of the Seller. Seller's Agents and their sub-agents will disclose to the Seller all known information about prospective users, which may be used to the benefit of the Seller. The duties that a Seller's Agent and sub-agent owe to the Seller include: (i) promoting the best interests of the Seller; (ii) disclosing to the Seller all facts that might affect or influence the Seller's decision to accept any offer to sell or lease a property; (iii) not disclosing confidential information about the Seller, unless authorized by the Seller; (iv) presenting all written offers to the Seller; and (v) disclosing the identities of any prospective users and any information about a user's willingness to complete a transaction. In dealings with a prospective user, a Seller's Agent should: exercise reasonable skill and care in the performance of its duties; treat all prospects honestly; and answer to the best of their knowledge all questions raised by prospective users concerning the condition of the subject property.

BUYER'S AGENT

Under a buyer or tenant agency agreement, a **"Buyer's Agent"** (which includes tenants) acts solely on behalf of its client, the Buyer (which includes tenants). Buyer's Agents will disclose all known information about a Seller, the subject property and/or other related market conditions that may be used to benefit the Buyer. The duties that a Buyer's Agent owes to the Buyer include: (i) promoting the best interests of the Buyer; (ii) disclosing to the Buyer all facts that might affect or influence the Buyer's decision to tender an offer; (iii) not disclosing confidential information about the Buyer, unless authorized by the Buyer; (iv) presenting all written offers on behalf of the Buyer; and (v) disclosing to the Buyer all information about the willingness of a seller to complete the transaction contemplated. In dealings with a seller, a Buyer's Agent should exercise reasonable skill and care in the performance of its duties and deal with all prospective sellers honestly and in good faith.

TRANSACTION COORDINATOR

Under a transaction coordinator agreement, a **"Transaction Coordinator"** is a real estate agent who is not acting as an agent of either a Buyer or Seller, but rather is providing services to facilitate a real estate transaction between the parties. The responsibilities of a Transaction Coordinator typically include: (i) providing access to and showing a subject property; (ii) providing access to marketing information; (iii) providing assistance in the preparation and

presentation of offers and/or agreements; (iv) and assisting the parties with the removal of any conditions which an agreement may be conditioned upon.

DUAL AGENTS

Under a dual agency agreement, a **"Dual Agent"** can be the agent of both the Seller and the Buyer in a transaction, but only with knowledge and informed consent, in writing, of both the Seller and the Buyer. In such a dual agency situation, the Dual Agent will not be able to disclose all known information to either 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.

With respect to the property located at _____, _____, Michigan, the undersigned real estate agent hereby discloses an existing agency relationship with its client in the following capacity:

- Seller's Agent
- Buyer's Agent
- Transaction Coordinator
- Dual Agent

This Agency Disclosure has been provided to the undersigned parties prior to the disclosure of any potentially confidential information.

The parties acknowledge the agency relationship selected above in this transaction.

FOR: BROKER**FOR: BUYER/SELLER** (circle one)

Firm

Firm

By: _____
Agent

By: _____
Agent

Its: _____

Its: _____

Address

Address

Phone

Phone

E-Mail

E-Mail

Date: _____

Date: _____