

**RELATIONSHIPS/CONSENTS IN REAL ESTATE TRANSACTIONS
(Combined Explanation and Disclosure)**

**THIS IS A RELATIONSHIP DISCLOSURE REQUIRED BY MONTANA LAW.
THE SIGNING OF THIS DOCUMENT AND NOTHING WITHIN IT SHALL BE INTERPRETED AS CREATING A
BINDING CONTRACT OR ANY OTHER AGREEMENT BETWEEN THE PARTIES.**

1 Date: _____
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Definition of Terms and Description of Duties

4 A **"Seller Agent"** is obligated to the **Seller** to:

- 5 • act exclusively in the seller's best interests, unless a seller's agent, with written disclosure to the seller and
- 6 with the seller's written approval, may represent multiple sellers of properties or list properties for sale that could
- 7 compete with the seller's property without violating any duty to the seller;
- 8 • follow all lawful instructions of the seller promptly and efficiently;
- 9 • reveal all pertinent and significant information related to the real estate transaction known to the parties involved
- 10 the seller's agent and not known or readily discoverable by the seller, unless the information is confidential
- 11 arising from a prior or existing agency relationship on the part of the seller's agent with a buyer or another seller;
- 12 • safeguard the seller's confidences;
- 13 • Take appropriate caution, expertise, and effort in working towards the seller's goals and ensuring adherence to the
- 14 terms established in the listing agreement;
- 15 • Provide a complete report to the seller for any funds or property belonging to the seller that the agent receives
- 16 • adhere to all relevant federal and state laws, guidelines, and regulations.

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18 A **"Seller Agent"** is obligated to the **Buyer** to:

- 19 • reveal to the buyer or the buyer's agent any significant negative information about the property that is known to
- 20 the seller's agent, provided the seller's agent is not obligated to inspect the property or confirm statements made
- 21 by the seller;
- 22 • inform the buyer or the buyer's agent when the seller's agent has no personal knowledge of the truthfulness of
- 23 information about negative material facts related to the property;
- 24 • act in good faith with a buyer and a buyer agent; and
- 25 • follow all relevant federal and state laws, rules, and regulations.

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27 A **"Buyer Agent"** is obligated to the **Buyer** to:

- 28 • Represent the best interests of the buyer, except that a buyer's agent, after providing written disclosure to the buyer
- 29 with the buyer's written consent, may represent multiple buyers simultaneously interested in the same property or
- 30 properties similar to the property in which the buyer is interested or show other properties that the buyer is considering
- 31 interested to other potential buyers without breaching any obligation to the buyer;
- 32 • follow promptly and efficiently all lawful instructions from the buyer;
- 33 • Reveal all relevant and material information related to the real estate transaction that is known to the agent
- 34 buyer agent and not known or discoverable by the buyer, unless the information is subject to confidentiality arising
- 35 from a prior agency relationship of the buyer agent with another buyer or a seller;
- 36 • safeguard the buyer's confidences;
- 37 • Use reasonable care, skill, and diligence in pursuing the buyer's objectives and complying with the terms
- 38 established in the buyer broker agreement;
- 39 • completely account to the buyer for any funds or property of the buyer that comes into the agent's possession; and
- 40 • follow all applicable federal and state laws, rules, and regulations.

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42 A **"Buyer Agent"** is obligated to the **Seller** to:

- 43 • disclose any adverse material facts known to the buyer agent that directly concern the buyer's ability to proceed
- 44 perform on any purchase offer;
- 45 • disclose to the seller or the seller's agent when the buyer agent has no personal knowledge of the truthfulness of
- 46 information regarding adverse material facts that concern the buyer's ability to perform on any purchase offer;
- 47 • act in good faith with a seller and a seller agent; and
- 48 • abide by all applicable federal and state laws, rules, and regulations.

Initial(s) _____

DUAL AGENCY If a seller's agent is also representing a buyer or a buyer's agent is also acting on behalf of the seller representing a seller with regard to a property, then a dual agency relationship may be legally established or created established. In a dual agency relationship, the dual agent is equally obligated to both the buyer and seller's interests The seller and the buyer. These obligations may prevent the dual agent from fully advocating effectively for either party exclusively on behalf of the seller or buyer and may limit the scope, depth, and degree of representation provided representation that you receive. A broker or a salesperson may not act as a dual agent without explicit consent without the signed, written consent of both the seller and the buyer involved.

A **"Dual Agent"** is obligated to a seller in the same manner as a seller's agent and is obligated to a buyer in the same way manner as a buyer agent, except that a dual agent:

- Has a duty to disclose to a buyer or seller any adverse facts known to the dual agent, regardless of confidentiality of any confidentiality considerations; and
- May not disclose the following information without the written consent of the individual to whom it belongs confidential;
 - (i) The fact that the buyer is willing to pay more than the proposed purchase price;
 - (ii) The fact that the seller is willing to accept less than the asking purchase price for the property involved;
 - (iii) factors motivating either party to buy or sell; and
 - (iv) Any information that a party indicates in writing to the dual agent is to be kept strictly confidential.

A **"Statutory Broker"** is not the agent of the buyer or seller but nevertheless is obligated to them to:

- disclose to:
 - (i) A buyer or a buyer's agent any adverse material facts that concern the property and are known to the seller statutory broker, however, is not obligated to physically inspect the property or verify any specific details statements made by the seller; and
 - (ii) A seller or seller's agent must disclose any adverse material facts known to the statutory broker and relating to the buyer's ability to fulfill any purchase offer;
- exercise appropriate care, skill, and diligence in handling a real estate transaction, and
- adhere to all relevant federal and state laws, rules, and regulations.

An **"Adverse material fact"** refers to a fact that a broker or salesperson should recognize as being sufficiently important importance of influencing an individual's decision to engage in a contract to purchase real estate, and could be a factor:

- (i) significantly impacts the value, impacts structural stability, or poses a documented health risk to residents of the property; or
- (ii) significantly impacts the buyer's ability or intention to fulfill the buyer's duties under a proposed or existing contract.

"Adverse material fact" does not encompass the fact that a resident of the property has or has had a communicable disease or that the property was the location of a suicide or crime.

Disclosures/Consents

The undersigned Broker/Salesperson acknowledges and reveals the relationship(s) indicated below

Seller or Buyer confirms receipt of the disclosure(s) and agrees to the relationship(s) revealed.

Check Applicable Relationship(s): ☒ **Seller Agent** ☐ **Buyer Agent** ☐ **Dual Agent** ☐ **Statutory Broker**

Seller: ☒ Consents to Broker/Salesperson representing multiple sellers of property that may compete with the Seller's property

☒ Consents to Broker/Salesperson potentially acting as a dual agent.

Buyer: ☐ Agrees to Broker/Salesperson representing multiple buyers interested in same or comparable properties In which Buyer is interested and actively showing similar properties to other prospective buyers simultaneously buyers.

☐ Does NOT authorize the Broker/Salesperson to submit offers that could compete with the Buyer's offer on the SAME property.

☐ Agrees to the possibility of the Broker/Salesperson serving as a dual agent

/			/		
☐ Seller	☐ Buyer	Date	Broker/Salesperson		Date
/					
☐ Seller	☐ Buyer	Date			