Right Now You Are a Customer

All real estate consumers are "Customers" under Idaho law unless a representation agreement is signed. (A real estate licensee working with a customer is called a "Non-Agent".) The law requires all real estate licensees to provide the following "Customer level" services, to everyone:

- Perform necessary and customary acts to assist you in the purchase or sale of real estate;
- Perform these acts in good faith and with honesty and reasonable care;
- Properly account for money or other property you place in the licensee's care;
- Disclose "adverse material facts" to you which are, or should be, within the licensee's knowledge. These are facts that would significantly affect the desirability or value of the property to a reasonable person, and facts that indicate to a reasonable person that one of the parties cannot, or will not, complete obligations of the contract.

As a Customer, your brokerage will not act as your Agent and is not required to promote your best interests or keep your bargaining information confidential. If you use the services of a brokerage without a written agreement, you will remain a Customer.

As a Customer, you may be asked to sign a Compensation Agreement, a contract that requires you to pay a fee to the broker for some service the brokerage provides you.

Remember! Unless you enter a written agreement for Agency Representation, you will NOT be represented at all.

If you enter into a Compensation Agreement, the brokerage and its agents must also:

- Be available to receive and present written offers and counter-offers to you or from you.

The Compensation Agreement is not the same as an Agency Representation Agreement. A Compensation Agreement cannot be used to change or eliminate any Customer level services.

You May Become a Client

If a brokerage offers agency representation and you choose to sign a representation agreement, you will become a "Client". The brokerage and its licensees must act as your "Agent". They will owe you the following duties in addition to the basic Customer level services required of all licensees:

- Perform the terms of your agency agreement with skill and care;
- Promote your best interests in good faith, honesty, and fair dealing;
- Maintain the confidentiality of some client information, including bargaining information, even after the representation has ended.

Please Note: "Sold" prices of property are not confidential information, for either buyers or sellers, and may be disseminated by your Agent.

These Are Your Agency Options

Agency Representation (Single Agency)

Under "Agency Representation" (sometimes referred to in real estate documents as "Single Agency"), your Agent may represent you, and only you, in your real estate transaction. (This representation can be modified in writing at a later date.)

If you are a seller, your Agent will seek a buyer to purchase your property at a price and under terms and conditions acceptable to you and will assist with your negotiations. If you make a written request, your Agent will seek reasonable proof of a prospective purchaser's financial ability to complete your transaction.

If you are a buyer, your Agent will seek a property for you to purchase at an acceptable price and terms and will assist with your negotiations. Your Agent will also advise you to consult with appropriate professionals, such as inspectors, attorneys, and tax advisors. If disclosed in writing, a brokerage may represent other buyers who wish to make offers on the same property.

Limited Dual Agency

"Limited Dual Agency" means the brokerage and its agents represent both the buyer and the seller in the same transaction. You may choose Limited Dual Agency representation with your brokerage because you do not want it to be restricted in the search for suitable properties or buyers. There are two options under Limited Dual Agency.

Each brokerage is required to have a written policy describing the types of agency representation it offers.

RECEIPT ACKNOWLEDGED

Rev 06/01/09

Your signature below indicates a real estate licensee gave you a copy of the Idaho Real Estate Commission's "Agency Disclosure Brochure."
Signing this document does not create an agency relationship or a contractual relationship of any kind.

Signature _____ Date _____

Signature _____ Date _____

Limited Dual Agency without Assigned Agents

As a Limited Dual Agent, the brokerage and its licensees cannot advocate on behalf of one client over the other. The licensees cannot disclose confidential client information regarding negotiations, terms or factors that motivate the buyer to buy, or the seller to sell, or advocate the interests of one party over those of the other. The brokerage must otherwise promote the non-conflicting interests of both parties, perform the terms of the agency agreements with skill and care, and perform other duties required by law.

Limited Dual Agency with Assigned Agents

If your brokerage has obtained consent to represent both parties as a Limited Dual Agent, it may assign individual licensees ("Assigned Agents") to act solely on behalf of each party. Your Assigned Agent has a duty to promote your best interests, even if your interests conflict with those of the other party, including negotiating a price, and must maintain your confidential information.

The Designated Broker of your brokerage must remain a Limited Dual Agent for both Clients. The broker will ensure the Assigned Agents fulfill their duties to their respective Clients.

What to Look For in Any Written Agreement with a Brokerage

Any Agency Representation or Compensation Agreement should answer these questions:

- How will the brokerage get paid?
- When will this agreement expire?
- What happens to this agreement when a transaction is completed?
- Can I cancel this agreement, and if so, how?
- Can I work with other brokerages during the time of my agreement?
- What happens if I buy or sell on my own?
- Under an Agency Representation Agreement, am I willing to allow the brokerage to represent both the other party and me in my real estate transaction?

When you sign a real estate Purchase and Sale Agreement, you will be asked to confirm:

1.) This brochure was given to you, and you have read and understand its contents;

2.) The correct agency relationship, if any, between you and your brokerage.

Real Estate Licensees Are Not Inspectors

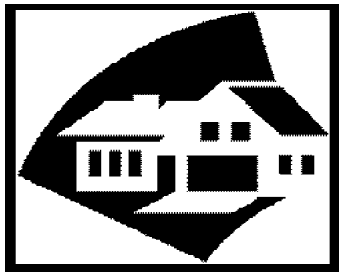
You should not expect the brokerage or its licensees to conduct an independent inspection of the property. You should not expect your agent to independently verify any statement or representation made by a buyer, seller, or professional associated with your transaction. If the condition of the property is important to you, you should hire an appropriate professional, such as an engineer, surveyor, or home inspector.

If you have any questions about the information in this brochure, contact:

Idaho Real Estate Commission
(208) 334-3285
Toll free in Idaho (866) 447-5411
TRS (800) 377-3529
www.irec.idaho.gov

Costs associated with this publication are available from the Idaho Real Estate Commission in accordance with section 60-202, I.C.—July 2009/50k/429.

Agency Disclosure Brochure



A Consumer Guide To Understanding Agency Relationships in Real Estate Transactions

Specific duties owed by a real estate brokerage and its licensees to Idaho consumers are defined by the "Idaho Real Estate Brokerage Representation Act." Idaho Code Section 54-2082, *et seq.*

This informational brochure is published by the Idaho Real Estate Commission.

Effective July 1, 2009

Printed Using Professional Computer Forms Co. On-Line Forms Software 7/09