



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT (~~"Seller"~~ includes both a vendor and a lessor)

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.

~~(c)~~ A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

~~(c)~~ An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT (~~"Buyer"~~ includes both a purchaser and a lessee)

A ~~selling~~Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more ~~associate licensees~~ salesperson and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, ~~the~~ dual agent may not, without the express permission of the respective party, disclose to the other party ~~that~~ confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the ~~Seller will~~ Seller's willingness to accept a price less than the listing price or ~~that the Buyer will~~ Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation. Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship

to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

Buyer Seller Lessor Lessee _____ Date: _____

Buyer Seller Lessor Lessee _____ Date: _____

Agent: _____ BRE DRE Lic. #: _____
Real Estate Broker (Firm)

By: _____ BRE DRE Lic. #: _____ Date: _____

(Salesperson or Broker-Associate)

NOTE:

~~* When the listing brokerage company also represents Buyer/Lessee: The Listing Agent shall have one Agency Disclosure form signed by Seller/Lessor and a second Agency Disclosure form signed by Buyer/Lessee.~~

~~* When Seller/Lessor and Buyer/Lessee are represented by different brokerage companies: (i) the Listing Agent shall have one Agency Disclosure form signed by Seller/Lessor and (ii) the Buyer's/Lessee's Agent shall have one Agency Disclosure form signed by Buyer/Lessee and either that same or a different Agency Disclosure form presented to Seller/Lessor for signature prior to presentation of the offer. If the same form is used, Seller/Lessor may sign here:~~

Date: _____

Seller/Lessor

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**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP
CIVIL CODE SECTIONS 2079.13 THROUGH 2079.24 (2079.16 APPEARS ON THE FRONT)**

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) **"Agent"** means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) **"Associate licensee"** means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate licensee functions. (c) **"Buyer"** means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. (d) **"Buyer"** includes vendee or lessee. (e) **"Of real property"** means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. (f) **"Dual agent"** means an agent acting, either directly or through a salesperson or broker associate licensee, as agent for both the seller and the buyer in a real property transaction. (g) **"Listing agreement"** means a written contract between an owner a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (h) **"Listing, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (i) Seller's agent"** means a person who has obtained a listing of real property to act as an agent for compensation. (j) **"Listing price"** is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing seller's agent. (k) **"Offering price"** is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (l) **"Offer to purchase"** means a written contract executed by a buyer acting through a selling buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (m) **"Real property"** means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved, and includes (1) single-family residential property, (2) multiunit residential property with one to more than four dwelling units, (3) commercial real property, any leasehold, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in these types Section 18007 of property exceeding one year's duration, and mobilehomes the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (n) **"Real property transaction"** means a transaction for the sale of real property in which an

agent is employed retained by one a buyer, seller, or more of the principals both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (o) **"Sell," "sale," or "sold"** refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's year's duration. (p) **"Seller"** means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. (q) **"Seller"** includes both a vendor and a lessor of real property. (r) **"Buyer's agent"** means an agent who represents a buyer in a real property transaction. (s) **"Selling agent"** means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (t) **"Subagent"**

means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents. **2079.14.** A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment acknowledgment of

receipt from that seller and buyer, except as provided in this section or Section 2079.15, as follows:

(a) The listing seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with

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an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required.

(d) The selling buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling buyer's agent, the selling buyer's agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives/receiving the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement/acknowledgment of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written

declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17 (a) As soon as practicable, the selling buyer's agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's/buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listingseller's agent shall disclose to the seller whether the listingseller's agent is acting in the real property transaction exclusively as the seller's/seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listingseller's agent prior to or coincident with the execution of that contract by the seller.

(c) (C) CONFIRMATION: The confirmation required by subdivisions (a) and (b) shall be in the following form/agency relationships are confirmed for this transaction.

(DO NOT COMPLETE, SAMPLE ONLY) is the agent of (check one): the seller exclusively; or both the buyer and seller.

(Name of Listing Agent)

(DO NOT COMPLETE, SAMPLE ONLY) is the agent of (check one): the buyer exclusively; or the seller exclusively; or

both the buyer and seller.

(Name of Selling Agent if not the same as the Listing Agent)

Seller's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number

Is the broker of (check one): the seller; or both the buyer and seller. (dual agent)

Seller's Agent DO NOT COMPLETE, SAMPLE ONLY License Number

Is (check one): the Seller's Agent. (salesperson or broker associate); or both the Buyer's Agent and the Seller's Agent. (dual agent)

Buyer's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number

Is the broker of (check one): the buyer; or both the buyer and seller. (dual agent)

Buyer's Agent DO NOT COMPLETE, SAMPLE ONLY License Number

Is (check one): the Buyer's Agent. (salesperson or broker associate); or both the Buyer's Agent and the Seller's Agent. (dual agent)

(d) (d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

2079.18 (Repealed pursuant to AB-1289, 2017-18 California Legislative session)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's/agent's employment, a specific form of agency relationship not specifically-

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prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21— ~~(a) A dual agent shall not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. (b) A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. (c) “Confidential information” means facts relating to the client’s financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to sell the property at accept a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that or the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer price offered. (d)~~ This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22— Nothing in this article precludes a ~~listingseller’s~~ agent from also being a ~~sellingbuyer’s~~ agent, ~~and the combination of these functions. If a seller or buyer in one transaction chooses to not be represented by an~~ agent, ~~that~~ does not, of itself, make that agent a dual agent.

2079.23— ~~(a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.~~

~~(b) A lender or an auction company retained by a lender to control aspects of a transaction of real property~~

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