

Agency Disclosure Brochure

A Consumer Guide to Understanding Agency Relationships in Real Estate Transactions

Duties owed to Idaho consumers by a real estate brokerage and its licensees are defined in the "Idaho Real Estate Brokerage Representation Act." Idaho Code 54-2082 through 54-2097.

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

Effective July 1, 2019

"Agency" is a term used in Idaho law that describes the relationships between a licensee and some parties to a real estate transaction.

Right Now You Are a Customer

Idaho law says a real estate brokerage and its licensees owe the following "Customer" duties to all consumers in real estate transactions:

- Perform necessary and customary acts to assist you in the purchase or sale of real estate;
- Perform these acts with honesty, good faith, reasonable skill and care;
- Properly account for money or property you place in the care and responsibility of the brokerage; and
- Disclose "adverse material facts" which the licensee knows or reasonably should have known. These are facts that would significantly affect the desirability or value of the property to a reasonable person, or facts establishing a reasonable belief that one of the parties cannot, or does not intend to, complete obligations under the contract.

If you are a Customer, a real estate licensee is not required to promote your best interests or keep your bargaining information confidential. If you use the services of a licensee and brokerage without a written Representation (Agency) Agreement, you will remain a Customer throughout the transaction.

A Compensation Agreement is a written contract that requires you to pay a fee for a specific service provided by a brokerage, and it is not the same as a Representation Agreement. If you sign a Compensation Agreement, you are still a Customer, but the brokerage and its licensees owe one additional duty:

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

You May Become a Client

If you want a licensee and brokerage to promote your best interests in a transaction, you can become a "Client" by signing a Buyer or Seller Representation (Agency) Agreement. A brokerage and its licensees will owe you the following Client duties, which are greater than the duties owed to a Customer:

- Perform the terms of the written agreement;
- Exercise reasonable skill and care;
- Promote your best interests in good faith, honesty, and fair dealing;
- Maintain the confidentiality of your information, including bargaining information, even after the representation has ended;
- Properly account for money or property you place in the care and responsibility of the brokerage;
- Find a property for you or a buyer for your property, and assist you in negotiating an acceptable price and other terms and conditions for the transaction;
- Disclose all "adverse material facts" which the licensee knows or reasonably should have known, as defined above; and
- Be available to receive and present written offers and counter-offers to you or from you.

The above Customer or Client duties are required by law, and a licensee cannot agree with you to modify or eliminate any of them.

If you have any questions about the information in this brochure, contact:
Idaho Real Estate Commission
(208) 334-3285
irec.idaho.gov

Agency Representation (Single Agency)

Under "Agency Representation" (sometimes referred to as "Single Agency"), you are a Client and the licensee is your

Agent who represents you, and only you, in your real estate transaction. The entire brokerage is obligated to promote your best interests. No licensee in the brokerage is allowed to represent the other party to the transaction.

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 assist with your negotiations. If you request it in writing, 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 assist with your negotiations. Your Agent will also advise you to consult with appropriate professionals, such as inspectors, attorneys, and tax advisors. If disclosed to all parties in writing, a brokerage may also represent other buyers who wish to make offers on the same property you are interested in purchasing.

Limited Dual Agency

"Limited Dual Agency" means the brokerage and its licensees represent both the buyer and the seller as Clients in the same transaction. The brokerage must have both the buyer's and seller's consent to represent both parties under Limited Dual Agency. You might choose Limited Dual Agency because you want to purchase a property listed by the same brokerage, or because the same brokerage knows of a buyer for your property. There are two kinds of Limited Dual Agency:

Without Assigned Agents The brokerage and its licensees are Agents for both Clients equally and cannot advocate on behalf of one client over the other. None of the licensees at the brokerage can disclose confidential client information about either Client. The brokerage must otherwise promote the non-conflicting interests of both Clients, perform the terms of the Buyer and Seller Representation Agreements with skill and care, and other duties required by law.

With Assigned Agents The Designated Broker may assign individual licensees within the brokerage ("Assigned Agents") to act solely on behalf of each Client. An assigned Agent has a duty to promote the Client's best interests, even if your interests conflict with the interests of the other Client, including negotiating a price. An Assigned Agent must maintain the Client's confidential information. The Designated Broker is always a Limited Dual Agent for both Clients and ensures the Assigned Agents fulfill their duties to their respective clients.

What to Look For in Any Written Agreement with a Brokerage

A Buyer or Seller Representation Agreement or Compensation Agreement should answer these questions:

- When will this agreement expire?
- What happens to this agreement when a transaction is completed?
- Can I work with other brokerages during the time of my agreement?
- Can I cancel this agreement, and if so, how?
- How will the brokerage get paid?
- 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 a real estate transaction?

Real Estate Licensees Are Not Inspectors

Unless you and a licensee agree in writing, a brokerage and its licensees are not required to conduct an independent inspection of a property or verify the accuracy or completeness of any statements or representations made regarding a property. To learn about the condition of a property, you should obtain the advice of an appropriate professional, such as a home inspector, engineer or surveyor.

Audio/Video Surveillance

Use caution when discussing *anything* while viewing a property; audio or video surveillance equipment could be in use on listed properties.

If you sign a Representation Agreement or Compensation Agreement with a licensee, the contract is actually between you and the licensee's brokerage. The Designated Broker is the only person authorized to modify or cancel a brokerage contract.

The licensee who gave you this brochure is licensed with:

Name of Brokerage: _____ Phone: _____

RECEIPT ACKNOWLEDGED

Rev 07/01/19

By signing below, you acknowledge only that a licensee gave you a copy of this Agency Disclosure Brochure.
This document is not a contract, and signing it does not obligate you to anything.

Signature _____ Date _____

Signature _____ Date _____



RE-14 BUYER REPRESENTATION AGREEMENT (EXCLUSIVE RIGHT TO REPRESENT)



THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT, INCLUDING ANY ATTACHMENTS.
IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1 DATE: _____ AGENT: _____
2
3 Acting as Agent for the Broker

1. BUYER _____

4
5 retains _____ Broker of _____
6 as exclusive Buyer Broker (hereinafter referred to as Broker), where the BUYER is represented by one Broker only for time herein
7 set forth and for the express purpose of Representing BUYER in the purchase, lease, or optioning of real property referenced
8 below. Further, BUYER agrees, warrants and acknowledges that BUYER has not and shall not enter into any buyer representation
9 agreement with another broker in the state of Idaho as a broker for BUYER during the effective term of this agreement, unless
10 otherwise agreed to in writing by BUYER and above-listed Broker. BUYER agrees to indemnify and hold the above-listed Broker
11 harmless from any claim brought by any other broker or real estate salesperson for compensation claimed or owed during the
12 effective term of this agreement. By appointing Broker as BUYER'S exclusive agent, BUYER agrees to conduct all negotiations for
13 property through Broker, and to refer to Broker all inquiries received in any form from real estate brokers, salespersons,
14 prospective sellers, or any other source, during the time this Buyer Representation Agreement is in effect. BUYER desires to
15 purchase, lease, or option the real estate described below:

16 Residential Residential Income Commercial Vacant Land Custom Build Job
17 Other _____

18
19 Applicable City(s) _____, Idaho;

20 Applicable County(s) _____

21 Other Description: (i.e., geographical area, price, etc.) _____

22
23 **2. TERM OF AGREEMENT:** This BUYER REPRESENTATION AGREEMENT (herein after referred to as Agreement) is in force from
24 date _____ and will expire at 11:59 p.m. on date _____, or upon closing of escrow of such property purchased
25 through this agreement whichever is sooner. If the BUYER accepts an offer to purchase or exchange, the terms of this Agreement shall be
26 extended through the closing of the transaction.

27
28 **3. BROKER REPRESENTATIONS AND SERVICES:** The Broker and Broker's agent representing a BUYER are agents of the BUYER.
29 Broker will use reasonable efforts as BUYER'S agent to locate property as described in Section One hereof from the information available
30 in the Multiple Listing Service (MLS) and from other sources for unlisted property that the Broker may be aware of when applicable as set
31 forth in Section One. The Broker's duty to locate property for the BUYER is limited to the properties that the Broker is aware of and does
32 not include a duty to discover every unlisted property that may be privately advertised. Broker shall make submissions to BUYER
33 describing and identifying properties that substantially meet the criteria set forth in Section One, for consideration of the BUYER and Broker
34 agrees to negotiate acceptance of any offer to purchase or lease such property.

35
36 **4. TRANSACTION RELATED SERVICES DISCLAIMER:** BUYER understands that Broker is qualified to advise BUYER on general
37 matters concerning real estate but may not offer legal advice and is not an expert in matters of law, tax, financing, surveying, structural
38 conditions, property inspections, water rights, mineral rights, hazardous materials, or engineering. BUYER acknowledges that Broker
39 advises BUYER to seek expert assistance for advice on such matters. Broker cannot warrant the condition of property to be acquired or
40 guarantee that all material facts are disclosed by the Seller. **Broker will not investigate the condition of any property including**
41 **without limitation:** the status of permits, zoning, location of property lines, square footage, **marketability of title, applicability or**
42 **enforceability of CC&R's**, possible loss of views and/or compliance of the property with applicable laws, codes or ordinances and BUYER
43 must satisfy themself concerning these issues by obtaining the appropriate expert advice. The Broker or Broker's agent may, during the
44 course of the transaction, identify individuals or entities who perform services including BUT NOT LIMITED TO the following; home
45 inspections, service contracts, appraisals, environmental assessment inspections, code compliance inspections, title insurance, closing and
46 escrow services, loans and refinancing services, construction and repairs, legal and accounting services, and/or surveys. The BUYER
47 understands that the identification of service providers is solely for BUYER'S convenience and that the Broker and its agent are not
48 guaranteeing or assuring that the service provider will perform its duties in accordance with the BUYER'S expectations. BUYER has the
49 right to make arrangements with any entity BUYER chooses to provide these services. BUYER hereby releases and holds harmless the
50 Broker and Broker's agent from any claims by the BUYER that service providers breached their agreement, were negligent,
51 misrepresented information, or otherwise failed to perform in accordance with the BUYER'S expectations. In the event the BUYER
52 requests Broker to obtain any products or services from outside sources, **BUYER agrees to pay for them immediately when payment is**
53 **due.** For example: surveys or engineering, environmental and/or soil tests, title reports, home or property inspections, appraisals, etc.

54
55 **5. FINANCIAL INFORMATION:** BUYER agrees to provide Broker and/or Broker's agent with certain pertinent financial information
56 necessary to prove ability to purchase desired property.

57
58 **6. OTHER POTENTIAL BUYERS:** BUYER understands that other potential buyers may consider, make offers on, or purchase through
59 Broker the same or similar properties as BUYER is seeking to acquire. BUYER consents to Broker's representation of such other potential
60 buyers before, during, and after the expiration of this Agreement and further releases Broker of any conflicting Agency duties.

BUYER'S Initials (____) (____) Date: _____

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BUYER'S NAME(S) _____

61 **7. LIMITS OF CONFIDENTIALITY OF OFFERS:** BUYER understands that an offer submitted to a seller, and the terms thereof may not be
62 held confidential by such seller or seller's representative unless such confidentiality is otherwise agreed to by the parties.

63
64 **8. CONSENT TO LIMITED DUAL REPRESENTATION AND ASSIGNED AGENCY:** The undersigned BUYER(S) have received, read and
65 understand the Agency Disclosure Brochure (prepared by the Idaho Real Estate Commission). The undersigned BUYER(S) understand
66 that the brokerage involved in this transaction may be providing agency representation to both the BUYER(S) and the Seller. The
67 undersigned BUYER(S) each understands that, as an agent for both BUYER/client and Seller/client, a brokerage will be a limited dual
68 agent of each client and cannot advocate on behalf of one client over another, and cannot legally disclose to either client certain confidential
69 client information concerning price negotiations, terms or factors motivating the BUYER/client to buy or the Seller/client to sell without
70 specific written permission of the client to whom the information pertains. The specific duties, obligations and limitations of a limited dual
71 agent are contained in the Agency Disclosure Brochure as required by §54-2085, Idaho Code. The undersigned BUYER(S) each
72 understands that a limited dual agent does not have a duty of undivided loyalty to either client.

73
74 The undersigned BUYER(S) further acknowledge that, to the extent the brokerage firm offers assigned agency as a type of agency
75 representation, individual sales associates may be assigned to represent each client to act solely on behalf of the client consistent with
76 applicable duties set forth in §54-2087, Idaho Code. In an assigned agency situation, the designated broker (the broker who supervises the
77 sales associates) will remain a limited dual agent of the client and shall have the duty to supervise the assigned agents in the fulfillment of
78 their duties to their respective clients, to refrain from advocating on behalf of any one client over another, and to refrain from disclosing or
79 using, without permission, confidential information of any other client with whom the brokerage has an agency relationship.

80
81 **BUYER NOTIFICATION AND CONSENT TO RELEASE FROM CONFLICTING AGENCY DUTIES:** BUYER acknowledges that Broker
82 as named above has disclosed the fact that at times Broker acts as agent(s) for other BUYERS and for Sellers in the sale of the property.
83 BUYER has been advised and understands that it may create a conflict of interest for Broker to introduce BUYER to a Seller Client's
84 property because Broker could not satisfy all of its Client duties to both BUYER Client and Seller Client in connection with such a showing
85 or any transaction which resulted. **Based on the understandings acknowledged, BUYER makes the following election.**
86 (Make one election only)

87
88 _____ / _____
89 Initials BUYER DOES WANT to be introduced to Seller client's property and hereby agrees to relieve Broker of conflicting
90 agency duties, including the duty to disclose confidential information known to the Broker at the time and the duty
91 of loyalty to either party. Relieved of all conflicting agency duties, Broker will act in an unbiased manner to assist
92 the BUYER and Seller in the introduction of BUYER to such Seller client's property and in the preparation of any
93 contract of sale which may result. BUYER authorizes Broker to act in a **limited dual agency** capacity. Further,
94 BUYER agrees that Broker may offer, but is not obligated to offer, **assigned agency** representation, and if offered
95 by the Broker, BUYER authorizes Broker to act in such capacity.

96 **OR**

97
98 _____ / _____
99 Initials BUYER DOES NOT WANT to be introduced to Seller client's property and hereby releases Broker from any
100 responsibility or duty under the agency agreement. Broker shall be under no obligation or duty to introduce the
101 BUYER to any Seller client's property.

102
103 **9. NON-DISCRIMINATION:** The parties agree not to discriminate against any prospective Seller or Lessor because of race, religion,
104 creed, color, sex, marital status, national origin, familial, or handicapped status of such person.

105
106 **10. SEVERABILITY CLAUSE:** In the case that any one or more of the provisions contained in this Agreement, or any application thereof,
107 shall be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions shall not in any way
108 be affected or impaired thereby.

109
110 **11. SINGULAR AND PLURAL** terms each include the other, when appropriate.

111
112 **12. DEFAULT / ATTORNEY'S FEES:** In the event of default by BUYER under this Agreement, Broker shall be entitled to the Fee that
113 Broker would have received had no default occurred, in addition to other available legal remedies. In the event of any suit or other
114 proceeding arising out of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and all costs incurred
115 relative to such suit or proceeding, including fees and costs upon appeal. Venue of any action arising out of this Agreement shall be in the
116 court of the county in which Broker's office is located.

117
118 **13. EARNEST MONEY DISPUTE / INTERPLEADER:** Notwithstanding any termination or breach of this Agreement, BUYER and SELLER agree that
119 in the event of any controversy regarding the Earnest Money and things of value held by Broker or closing agency, Broker may reasonably rely on the terms
120 of this Agreement or other written documents signed by both parties to determine how to disburse the disputed money. However, Broker or closing agency

BUYER'S Initials (_____) (_____) Date: _____

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BUYER'S NAME(S) _____

122 shall not be required to take any action but may await any proceeding, or at Broker's or closing agency's option and sole discretion, may interplead all parties
123 and deposit any moneys or things of value into a court of competent jurisdiction and shall recover all costs which were incurred as a result of the dispute
124 including, but not limited to, reasonable attorney's fees. If either parties' Broker incurs attorney's fees as a result of any Earnest Money dispute, whether or
125 not formal legal action is taken, said Broker is entitled to recover actual fees incurred from either BUYER or SELLER.

126
127 **14. COMPENSATION OF BROKER:** In consideration of the services to be performed by the Broker, BUYER agrees that broker may be
128 compensated in any of the following ways: Check all that apply.

129 A. **If the property is subject to a listing agreement with the Broker's Company or a cooperating Broker** through the Multiple
130 Listing Service (MLS) or otherwise, the fee will be the amount equal to the compensation offered by the aforementioned Brokers but
131 not less than _____% of the selling price. BUYER agrees to pay to the Broker any difference between the amount received from
132 the aforementioned Brokers and the stated minimum.

133 B. **If the property is not subject to a Listing Agreement**, such as a For Sale By Owner or a Custom Build Job, the BUYER agrees
134 that the Broker will be paid a fee of not less than _____% of selling price or \$_____. The Broker shall first seek to
135 obtain this fee through the transaction paid by the Seller. If the fee cannot be obtained through the Seller, the BUYER will be
136 responsible for such fee stated above.

137 C. **If the property is leased** by BUYER, then BUYER agrees to pay a total brokerage fee of the greater of: _____% of the
138 total Base Rent OR _____ month's rent OR a one-time flat fee of \$_____. The Broker shall first seek to obtain this fee through the
139 transaction paid by the lessor. If the fee cannot be obtained through the lessor, then BUYER will be responsible for the fee. 'Base
140 Rent' is defined as the specific minimum rent owed by BUYER to lessor each year. In addition, if the lease is a 'lease to own' contract,
141 or if the BUYER exercises an option to purchase under the lease, then in addition to the compensation for lease procurement specified
142 in this paragraph (C), Broker shall also be entitled to any compensation for sale as enumerated in paragraphs (A) or (B) above.

143 D. **Retainer Fee.** BUYER will pay Broker a non-refundable retainer fee of \$_____ due and payable upon signing of this
144 Agreement. Retainer fee shall shall not be credited against any compensation set forth in paragraph A or B.

145 E. **Hourly rate.** BUYER will pay Broker at the rate of \$_____ per hour for the time spent by Broker pursuant to this
146 Agreement to be paid when billed whether or not BUYER acquires or leases property. The fee shall shall not be credited against
147 any compensation as set forth in paragraph A, B, or C.

148 This compensation shall apply to transactions made for which BUYER enters into a contract during the original term of this Agreement
149 or during any extension of such original or extended term, and shall also apply to transactions for which BUYER enters into a contract
150 within _____ calendar days (ninety [90] if left blank) after this Agreement expires or is terminated, if the property acquired or leased by the
151 BUYER was submitted in writing to the BUYER by Broker pursuant to Section One hereof during the original term or extension of the term
152 of this Agreement. The fee shall be paid at closing or lease execution unless otherwise designated by the Broker in writing. The
153 closing agent for this transaction is hereby authorized to pay the above mentioned compensation at closing.

154 In the event BUYER purchases any property as described in Section 1 above without using the representation of the Broker named
155 above within the time this agreement remains in force, above stated BUYER shall be liable to Broker for a cancellation fee equal to
156 _____% of the selling price of the property acquired or \$_____.

158 **15. OTHER TERMS AND CONDITIONS:** _____
159 _____
160 _____

162 **16. COMMUNICATION: Failure of BUYER to reasonably maintain communication with BROKER is a breach of this agreement.**

164 **17. TRANSMISSION OF DOCUMENTS:** Facsimile or electronic transmission of any signed original document, and retransmission of any
165 signed facsimile or electronic transmission shall be the same as delivery of an original. At the request of either the BUYER or SELLER, or
166 the LENDER, or the Closing Agency, the BUYER and SELLER will confirm facsimile or electronic transmitted signatures by signing an
167 original document.

169 **18. WIRE TRANSFER WARNING:** Electronic means of transferring money (i.e. ETF, wire transfer, electronic check, direct deposit, etc...)
170 are subject to sophisticated cyber fraud attacks. These attacks are even more prevalent in real estate transactions due to the large sums
171 of money being exchanged. BUYER is advised that Brokerage will not provide electronic transfer instructions by e-mail. Following money
172 transfer instructions contained in an email from any party is inherently dangerous and should be avoided. BUYER agree that if BUYER
173 uses, or authorizes the use of, electronic transfer of funds in a transaction they hereby hold the Brokerages, their agents, and the
174 designated title and escrow company harmless from any and all claims arising out of inaccurate transfer instructions, fraudulent
175 interception of said funds and/or any other damage relating to the conduct of third parties influencing the transfer process or stealing funds.

177 **19. AUTHORITY OF SIGNATORY:** If BUYER is a corporation, partnership, trust, estate, or other entity, the person executing this
178 agreement on its behalf warrants his or her authority to do so and to bind BUYER.

180 **20. MERGER AND TIME: TIME IS OF THE ESSENCE IN THIS AGREEMENT.** The terms hereof, and any addendums or exhibits
181 constitute the entire agreement and supersede all prior agreements, negotiations and discussions between parties. This agreement may be
182 modified only by a written agreement signed by each of the parties.

184 BUYER'S Initials (_____) (_____) Date: _____

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BUYER'S NAME(S) _____

186 **21. FORCE MAJEURE:** Neither party shall be liable to the other or deemed in default under this agreement if and to the extent that such
187 party's timely performance of this agreement is prevented by reason of a Force Majeure Event. "Force Majeure Event" means an
188 occurrence that is beyond the control of the party affected and could not have been avoided or overcome by exercising reasonableness or
189 diligence. Force Majeure Events include, but are not limited to, acts of God, war, riots, strikes, fire, floods, epidemics, or other similar
190 occurrences.

191
192 **22. ACCESS.** BUYER acknowledges that by entering into this contract BUYER is requesting Broker to provide BUYER access to real
193 property owned by third parties and that it is impossible for Broker to screen and/or monitor the individuals who reside in and/or own real
194 property listed for sale or rent. Therefore, BUYER shall hold Broker harmless from all liability resulting from accessing real property,
195 including but not limited to, liability arising from exposure to disease-causing organisms and objects such as viruses and bacteria.

197	_____		_____	
198	Buyer Signature	Date	Agent or Broker (on behalf of Brokerage) Signature	Date
199	_____		_____	
200	Buyer Signature	Date	Brokerage Address	
201	_____		_____	
202	Address		Brokerage Phone	Brokerage Fax
203	_____		_____	
204	Phone	Fax	Brokerage Email	
205	_____		_____	
206	Email		Agent/Broker Email	
207	_____		_____	
208	_____		_____	
209	_____		_____	
210	_____		_____	

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