

Acknowledgement of Receipt

I/We hereby acknowledge receipt of the
Law of Real Estate Agency Pamphlet.

THE L•A•W OF REAL ESTATE AGENCY

This pamphlet describes your legal rights in dealing with a real estate broker or salesperson. Please read it carefully before signing any documents.

THE FOLLOWING IS ONLY A BRIEF SUMMARY OF THE ATTACHED LAW:

SECTION 1. DEFINITIONS. Defines the specific terms used in the law.

SECTION 2. RELATIONSHIPS BETWEEN LICENSEES AND THE PUBLIC. States that a licensee who works with a buyer or tenant represents that buyer or tenant — unless the licensee is the listing agent, a seller's sub-agent, a dual agent, the seller personally or the parties agree otherwise. Also states that in a transaction involving two different licensees affiliated with the same broker, the broker is a dual agent and each licensee solely represents his or her client — unless the parties agree in writing that both licensees are dual agents.

SECTION 3. DUTIES OF A LICENSEE GENERALLY. Prescribes the duties that are owed by all licensees, regardless of who the licensee represents. Requires disclosure of the licensee's agency relationship in a specific transaction.

SECTION 4. DUTIES OF A SELLER'S AGENT. Prescribes the additional duties of a licensee representing the seller or landlord only.

SECTION 5. DUTIES OF A BUYER'S AGENT. Prescribes the additional duties of a licensee representing the buyer or tenant only.

SECTION 6. DUTIES OF A DUAL AGENT. Prescribes the additional duties of a licensee representing both parties in the same transaction, and requires the written consent of both parties to the licensee acting as a dual agent.

SECTION 7. DURATION OF AGENCY RELATIONSHIP. Describes when an agency relationship begins and ends. Provides that the duties of accounting and confidentiality continue after the termination of an agency relationship.

SECTION 8. COMPENSATION. Allows brokers to share compensation with cooperating brokers. States that payment of compensation does not necessarily establish an agency relationship. Allows brokers to receive compensation from more than one party in a transaction with the parties' consent.

SECTION 9. VICARIOUS LIABILITY. Eliminates the common law liability of a party for the conduct of the party's agent or sub-agent, unless the agent or sub-agent is insolvent. Also limits the liability of a broker for the conduct of a sub-agent associated with a different broker.

SECTION 10. IMPUTED KNOWLEDGE AND NOTICE. Eliminates the common law rule that notice to or knowledge of an agent constitutes notice to or knowledge of the principal.

SECTION 11. INTERPRETATION. This law replaces the fiduciary duties owed by an agent to a principal under the common law, to the extent that it conflicts with the common law.


Windermere

WSC 11/97

Seller

Date

Buyer

Date

Buyer

Date