



NEWFOUNDLAND AND LABRADOR ASSOCIATION OF REALTORS® INC. AGENCY DISCLOSURE ACKNOWLEDGEMENT

(For Use By Members of the Newfoundland and Labrador Association of REALTORS® Inc. Only)

The difference between receiving information and services from an agent and being represented by an agent is the difference between being a customer and being a client.

AGENCY DISCLOSURE – Members of The Canadian Real Estate Association abide by a strict Code of Ethics and Standards of Business Practice, which serves to protect the buying and selling public alike.

One of the ethical obligations embodied in the Code requires that REALTORS® disclose who they are representing in a real estate transaction:

ARTICLE 3 – A REALTOR® shall fully disclose in writing to, and is advised to seek written acknowledgement of disclosure from, all parties to a transaction regarding the role and the nature of service the REALTOR® will be providing to the client versus the customer or other party to the transaction. The REALTOR® shall also disclose his or her role to other REALTORS® involved in the transaction.

If you have any questions about the contents of this form contact your local real estate board/association or talk to the REALTOR® with whom you are dealing.

When working with a real estate agent in buying or selling real estate, it is important that you understand who the agent is representing in the transaction.

Is the agent representing the seller, the buyer, or both? Who is the agent's client? Who is the customer?

The different between RECEIVING INFORMATION AND SERVICES FROM AN AGENT and BEING REPRESENTED BY AN AGENT is the difference between being a CUSTOMER and being a CLIENT.

The person who is represented by an agent is a CLIENT. The agent owes the client the duties of utmost care, integrity, confidentiality and loyalty.

A CUSTOMER, on the other hand, receives valuable information and assistance from an agent, but is not represented by that agent.

Regardless of who the agent represents, however, the agent is obliged to treat all parties to a transaction honestly and fairly. The agent must:

- respond honestly and accurately to questions concerning the property
- disclose material facts which the agent knows or reasonably ought to know about the property
- promptly present all offers to the seller
- market the property without regard to race, creed, sex, handicap, religion or national origin.

SELLER'S AGENT – A SELLER'S AGENT represents the seller - either as a LISTING AGENT under a listing agreement with the seller OR by cooperating as a SUB-AGENT, typically through the Multiple Listing Service®.

In dealing with prospective buyers (customers), a SELLER'S AGENT can provide a variety of information and services to assist the buyer in his/her decision-making, but the SELLER'S AGENT is not the agent for the buyer.

BUYER'S AGENT – A BUYER'S AGENT represents the buyer, preferably pursuant to a Buyer Brokerage agreement. A BUYER'S AGENT's primary allegiance is to the buyer.

DUAL AGENT – A DUAL AGENT acts on behalf of both the seller and the buyer in the same transaction. In other words, both the seller and the buyer are the agent's clients.

A DUAL AGENT may not represent both parties without their informed consent, and must ensure that the parties understand the possible effects of the dual representation, including, for example, that no information received in connection with the transaction can be treated as confidential unless an agreement in writing limiting the transfer of information exists.

ACKNOWLEDGEMENT – This form does not create an agency relationship. Its purpose is to ensure that all parties understand who is representing whom and to acknowledge that disclosure of this representation has occurred.

I have read and understand this form and acknowledge that

_____ (name of agent)

_____ (firm name)

disclosed he/she is representing:

Seller, as listing agent or sub-agent

Buyer, as buyer's agent

Both Seller and Buyer, with the full knowledge and consent of all parties

Seller

Date

Seller

Date

Buyer

Date

Buyer

Date