WORKING WITH A REAL ESTATE BROKER

THIS IS NOT A LEGALLY BINDING CONTRACT

Approved 01/2003 By
MS Real Estate Commission
P. O. Box 12685
Jackson, MS 39232

GENERAL

Before you begin working with any real estate agent, you should know whom the agent represents in the transaction. Mississippi real estate licensees are required to disclose which party they represent in a transaction and to allow a party the right to choose or refuse among the various agency relationships.

There are several types of relationships that are possible and you should understand these at the time a broker or salesperson provides specific assistance to you in a real estate transaction,

The purpose of the Agency Disclosure is to document an acknowledgement that the consumer has been informed of various agency relationships, which are available in a real estate transaction.

For the purpose of this disclosure, the term seller and/or buyer will also include those other acts specified in Section 73-35-3 (1), of the Miss. Code, "...list, sell, purchase, exchange, rent, lease, manage, or auction any real estate, or the improvements thereon including options."

SELLER'S AGENT

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. A licensee who is engaged by and acts as the agent of the Seller only is known as a Seller's Agent. A Seller's agent has the following duties and obligations:

To the Seller:

* The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Buyer and Seller:

* A duty of honesty and fair dealing.
* A duty to disclose all facts known to the Seller's agent materially affecting the value of the property which are not known to, or readily observable by, the parties in a transaction.

BUYER'S AGENT

A buyer may contract with an agent or firm to represent him/her. A licensee who is engaged by and acts as the agent of the Buyer only is known as the Buyer's Agent.

If a Buyer wants an agent to represent him in purchasing a property, the buyer can enter into a Buyer's Agency Agreement with the agent. A Buyer's Agent has the following duties and obligations:

To the Buyer:

* The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Seller and Buyer:

* A duty of honesty and fair dealing.

DISCLOSED DUAL AGENT

A real estate agent or firm may represent more than one party in the same transaction. A Disclosed Dual Agent is a licensee who, with the informed written consent of the Seller and Buyer, is engaged as an agent for both Seller and Buyer.

As a disclosed dual agent, the licensee shall not represent the interests of one party to the exclusion or detriment of the interests of the other party. A disclosed dual agent has all the fiduciary duties to the Seller and Buyer that a Seller's or Buyer's agent has except the duties of full disclosure and undivided loyalty.

A Disclosed Dual Agent may not disclose:

(a) To the Buyer that the Seller will accept less than the asking or listed price, unless otherwise instructed in writing by the Seller.
(b) To the Seller that the Buyer will pay a price greater than the price submitted in a written offer to the Seller, unless otherwise instructed in writing by the Buyer
(c) The motivation of any party for selling, buying, or leasing a property, unless otherwise instructed in writing by the respective party, or
(d) That a Seller or Buyer will agree to financing terms other than those offered, unless otherwise instructed in writing by the respective party.

IMPORTANT NOTICE!

"Customer" shall mean that person not represented in a real estate transaction. It may be the buyer, seller, landlord or tenant.

A Buyer may decide to work with a firm that is acting for the Seller (a Seller's Agent or subagent). If a Buyer does not enter into a Buyer Agency Agreement with the firm that shows him properties, that firm and its agents may show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the Seller (not the Buyer) and must disclose that fact to the Buyer.

When it comes to the price and terms of an offer, the Seller's Agent will ask you to decide how much to offer for any property and upon what terms and conditions. They can explain your options to you, but the final decision is yours, as they cannot give you legal or financial advice. They will attempt to show you property in the price range and category you desire so that you will have information on which to base your decision.

The Seller's Agent will present to the Seller any written offer that you ask them to present. You should keep to yourself any information that you do not want the Seller to know (i.e. the price you are willing to pay, other terms you are willing to accept, and your motivation for buying). The Seller's agent is required to tell all such information to the Seller. You should not furnish the Seller's agent anything you do not want the Seller to know. If you desire, you may obtain the representation of an attorney or another real estate agent, or both.

THIS IS NOT A CONTRACT. THIS IS AN ACKNOWLEDGEMENT OF DISCLOSURE

The below named Licensee has informed me that brokerage services are being provided me as a:

- ☐ Client (Seller's or Landlord's Agent)
- ☐ Client (Buyer's or Tenants Agent)
- ☐ Client (Disclosed Dual Agent)
- ☐ Customer (Not as my Agent)

By signing below, I acknowledge that I received this informative document and explanation prior to the exchange of confidential information which might affect the bargaining position in a real estate transaction involving me.

		(Date)
(Client)	(Licensee)	(Customer)
(Client)	(Company)	(Customer)

LICENSEE - Provide a copy of disclosure acknowledgement to all parties and retain signed original for your files.