

**ARIZONA REAL ESTATE AGENCY AND ELECTION**  
For Real Property Transactions per Commissioner's Rule, R4-28-1101(E)

**Firm Name ("Broker"):** \_\_\_\_\_

**Acting Through (Licensee's Name):** \_\_\_\_\_

Hereby makes the following disclosure:

**DISCLOSURE**

Before a Seller or Landlord ("Seller") or a Buyer or Tenant ("Buyer") enters into a discussion with a real estate broker or licensee affiliated with a broker, the Seller and the Buyer should understand what type of agency relationship or representation they will have with the broker in the transaction.

1. **SELLER'S BROKER.** A broker under a listing agreement with the Seller acts as the broker for the Seller only:
  - a.) A Seller's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Seller.
  - b.) Other potential Sellers represented by broker may list properties that are similar to the property that Seller is selling.
2. **BUYER'S BROKER.** A broker other than the Seller's broker can agree with the Buyer to act as the broker for the Buyer. In these situations, the Buyer's broker is not representing the Seller, even if the Buyer's broker is receiving compensation for services rendered, either in full or in part, from the Seller or through the Seller's broker:
  - a.) A Buyer's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Buyer.
  - b.) Other potential buyers represented by broker may consider, make offers on, or acquire an interest in the same or similar properties as Buyer is seeking.
3. **BROKER REPRESENTING BOTH BUYER AND SELLER (LIMITED REPRESENTATION BROKER).** A broker, either acting directly or through one or more licensees within the same brokerage firm, can legally represent both the Buyer and the Seller in a transaction, but only with the knowledge and informed consent of both the Buyer and the Seller. In these situations, the Broker acting through its licensee(s), represents both the Buyer and the Seller, with limitations of the duties owed to the Buyer and Seller:
  - a.) The broker will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than stated in the listing or that the Buyer will accept a price or terms other than offered.

b.) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality, Disclosure of confidential information may be made only with written authorization.

4. **ADDITIONAL TERMS.** Regardless of who the Broker represents in the transaction, the Broker shall exercise reasonable skill and care in the performance of the Broker's duties and shall be truthful and honest to both the Buyer and Seller and shall disclose all known facts which materially and adversely affect the consideration to be paid by any party. Pursuant to A.R.S. §32-2156, Sellers, Lessors, and Brokers are not obligated to disclose that a property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) Owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender. Sellers or Sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless there is a confidentiality agreement between the parties. THE DUTIES OF THE BROKER IN A REAL ESTATE TRANSACTION DO NOT RELIEVE THE SELLER OR THE BUYER FROM THE RESPONSIBILITY TO PROTECT THEIR OWN INTERESTS. THE SELLER AND THE BUYER SHOULD CAREFULLY READ ALL AGREEMENTS TO ENSURE THAT THE DOCUMENTS ADEQUATELY EXPRESS THEIR UNDERSTANDING OF THE TRANSACTION.

## BUYER/SELLER ACKNOWLEDGMENT

### AGENCY ELECTION DOES NOT ESTABLISH BROKER COMPENSATION.

Compensation paid by a Buyer or Seller to their Broker is always negotiable and the amount chosen shall be documented in a separate written employment agreement after discussion with their Broker. Should a Seller enter into a listing agreement, the amount of Buyer Broker compensation to be offered is also negotiable and agreed upon after discussion with their Broker.

Buyer/Seller Initials \_\_\_\_\_ / \_\_\_\_\_

## BUYER'S ELECTIONS

**Buyer or Tenant Election.** (Complete this section if you are a Buyer only). The undersigned elects to have the Broker (check all that apply):

- ☐ - Represent the Buyer as Buyer's Broker.
- ☐ - Represent the Seller as Seller's Broker.
- ☐ - Show the Buyer properties listed with Broker's firm and Buyer agrees that Broker shall act as agent for both Buyer and Seller provided that the Seller consents to limited representation. In the event of a purchase, Buyer's and

Seller's informed consent should be acknowledged in a separate writing other than the purchase contract.

## SELLER'S ELECTIONS

**Seller or Landlord Election.** (Complete this section if you are a Seller only). The undersigned elects to have the Broker (check all that apply):

- ☐ - Represent the Seller as Seller's Broker.
- ☐ - Represent the Buyer as Buyer's Broker.
- ☐ - Show the Seller's property to Buyers represented by Broker's firm and Seller agrees that Broker shall act as agent for both Seller and Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer's and Seller's informed consent should be acknowledged in a separate writing other than the purchase contract.

## ACKNOWLEDGMENT

The undersigned ☐ Buyer(s) or ☐ Seller(s) acknowledge that this document is a disclosure of duties.

**I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.**

**Buyer/Seller Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Print Name:** \_\_\_\_\_

**Buyer/Seller Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Print Name:** \_\_\_\_\_