

# REAL ESTATE AGENCY DISCLOSURE AND ELECTION

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- 1. Firm Name (“Broker”) \_\_\_\_\_
- 2. acting through \_\_\_\_\_  

LICENSEE’S NAME
LICENSEE’S NAME
- 3. hereby makes the following disclosure.

## DISCLOSURE

- 4. Before a **Seller or Landlord (hereinafter referred to as “Seller”)** or a **Buyer or Tenant (hereinafter referred to as “Buyer”)** enters into
- 5. a discussion with a real estate broker or licensee affiliated with a broker, the Seller and the Buyer should understand what type of agency
- 6. relationship or representation they will have with the broker in the transaction.
- 7. **I. 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
- 8. situations, the Buyer’s broker is not representing the Seller, even if the Buyer’s broker is receiving compensation for services
- 9. rendered, either in full or in part, from the Seller or through the Seller’s broker:
- 10. a) A Buyer’s broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Buyer.
- 11. b) Other potential Buyers represented by broker may consider, make offers on, or acquire an interest in the same or similar
- 12. properties as Buyer is seeking.
- 13. **II. Seller’s Broker:** A broker under a listing agreement with the Seller acts as the broker for the Seller only:
- 14. a) A Seller’s broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Seller.
- 15. b) Other potential Sellers represented by broker may list properties that are similar to the property that Seller is selling.
- 16. **III. Broker Representing both Seller and Buyer (Limited Representation):** A broker, either acting directly or through one or more
- 17. licensees within the same brokerage firm, can legally represent both the Seller and the Buyer in a transaction, but only with the
- 18. knowledge and informed consent of both the Seller and the Buyer. In these situations, the Broker, acting through its licensee(s),
- 19. represents both the Buyer and the Seller, with limitations of the duties owed to the Buyer and the Seller:
- 20. a) The broker will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than
- 21. stated in the listing or that the Buyer will accept a price or terms other than offered.
- 22. b) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may
- 23. be made only with written authorization.
- 24. Regardless of who the Broker represents in the transaction, the Broker shall exercise reasonable skill and care in the performance of
- 25. 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
- 26. 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
- 27. 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
- 28. occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common
- 29. occupancy of real estate; or (3) located in the vicinity of a sex offender. Sellers or Sellers’ representatives may not treat the existence, terms,
- 30. or conditions of offers as confidential unless there is a confidentiality agreement between the parties.

**31. THE DUTIES OF THE BROKER IN A REAL ESTATE TRANSACTION DO NOT RELIEVE THE SELLER OR THE BUYER FROM THE**  
**32. RESPONSIBILITY TO PROTECT THEIR OWN INTERESTS. THE SELLER AND THE BUYER SHOULD CAREFULLY READ ALL**  
**33. AGREEMENTS TO INSURE THAT THE DOCUMENTS ADEQUATELY EXPRESS THEIR UNDERSTANDING OF THE TRANSACTION.**

## ELECTION

- 34. **Buyer or Tenant Election** (Complete this section only if you are the Buyer.) The undersigned elects to have the Broker (check any that apply):
- 35.  represent the Buyer as Buyer’s Broker.
- 36.  represent the Seller as Seller’s Broker.
- 37.  show Buyer properties listed with Broker’s firm and Buyer agrees that Broker shall act as agent for both Buyer and Seller provided
- 38. that the Seller consents to limited representation. In the event of a purchase, Buyer’s and Seller’s informed consent should be
- 39. acknowledged in a separate writing other than the purchase contract.
- 40. **Seller or Landlord Election** (Complete this section only if you are the Seller.) The undersigned elects to have the Broker (check any that apply):
- 41.  represent the Buyer as Buyer’s Broker.
- 42.  represent the Seller as Seller’s Broker.
- 43.  show Seller’s property to Buyers represented by Broker’s firm and Seller agrees that Broker shall act as agent for both Seller and
- 44. Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer’s and Seller’s informed consent
- 45. should be acknowledged in a separate writing other than the purchase contract.

- 46. The undersigned  Buyer(s) or  Seller(s) acknowledge that this document is a disclosure of duties. This document is not an employment agreement.
- 47. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

- 48. \_\_\_\_\_  
^ PRINT NAME ^ PRINT NAME
- 49. \_\_\_\_\_  
^ SIGNATURE MO/DA/YR ^ SIGNATURE MO/DA/YR