

DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE LANDLORD AGENCY, TENANT AGENCY, BUYER AGENCY, SELLER AGENCY OR TRANSACTION-BROKERAGE.

**BROKERAGE DUTIES DISCLOSURE
TO SELLER**

(REO and Non-CREC Approved Listing Agreements)

SELLER AGENCY **TRANSACTION-BROKERAGE**

Date: _____

This Brokerage Duties Disclosure to Seller (Disclosure) is made in conjunction with a listing agreement dated _____, between Brokerage Firm and Seller (Listing Agreement). This Disclosure supplements the Listing Agreement.

1. BROKER AND BROKERAGE FIRM.

a. Multiple-Person Firm. If this box is checked, the individual designated by Brokerage Firm to perform the services for Seller required by the Listing Agreement is called Broker. If more than one individual is so designated, then references in this Disclosure and the Listing Agreement to Broker shall include all persons so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend to the employing broker, Brokerage Firm or to any other brokers employed or engaged by Brokerage Firm who are not so designated.

b. One-Person Firm. If this box is checked, Broker is a real estate brokerage firm with only one licensed natural person. References in this Disclosure to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who serve as the broker of Seller and perform the services for Seller required by the Listing Agreement.

2. DEFINED TERMS.

a. Seller: _____

b. Brokerage Firm: _____

c. Broker: _____

shall act for or assist Seller when performing activities in the capacity as shown by the box checked at the top of this page 1.

3. BROKERAGE SERVICES AND DUTIES. Brokerage Firm, acting through Broker, shall provide brokerage services to Seller. Broker, acting as either a Transaction-Broker or a Seller's Agent, shall perform the following **Uniform Duties** when working with Seller:

52 **a.** Broker shall exercise reasonable skill and care for Seller, including, but not
53 limited to the following:

- 54 **(1)** Performing the terms of any written or oral agreement with Seller;
- 55 **(2)** Presenting all offers to and from Seller in a timely manner regardless of
56 whether the Property is subject to a contract for sale;
- 57 **(3)** Disclosing to Seller adverse material facts actually known by Broker;
- 58 **(4)** Advising Seller regarding the transaction and to obtain expert advice as to
59 material matters about which Broker knows but the specifics of which are
60 beyond the expertise of Broker;
- 61 **(5)** Accounting in a timely manner for all money and property received; and
- 62 **(6)** Keeping Seller fully informed regarding the transaction.

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64 **b.** Broker shall not disclose the following information without the informed consent
65 of Seller:

- 66 **(1)** That Seller is willing to accept less than the asking price for the Property;
- 67 **(2)** What the motivating factors are for Seller to sell the Property;
- 68 **(3)** That Seller will agree to financing terms other than those offered;
- 69 **(4)** Any material information about Seller unless disclosure is required by law
70 or failure to disclose such information would constitute fraud or dishonest
71 dealing; or
- 72 **(5)** Any facts or suspicions regarding circumstances that could
73 psychologically impact or stigmatize the Property.

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75 **c.** Seller consents to Broker's disclosure of Seller's confidential information to the
76 supervising broker or designee for the purpose of proper supervision, provided such supervising
77 broker or designee shall not further disclose such information without consent of Seller, or use
78 such information to the detriment of Seller.

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80 **d.** Brokerage Firm may have agreements with other sellers to market and sell their
81 property. Broker may show alternative properties not owned by Seller to other prospective
82 buyers and list competing properties for sale.

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84 **e.** Broker shall not be obligated to seek additional offers to purchase the Property
85 while the Property is subject to a contract for sale.

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87 **f.** Broker has no duty to conduct an independent inspection of the Property for the
88 benefit of a buyer and has no duty to independently verify the accuracy or completeness of
89 statements made by Seller or independent inspectors. Broker has no duty to conduct an
90 independent investigation of a buyer's financial condition or to verify the accuracy or
91 completeness of any statement made by a buyer.

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93 **g.** Seller shall not be liable for the acts of Broker unless such acts are approved,
94 directed or ratified by Seller.

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96 **4. ADDITIONAL DUTIES OF SELLER'S AGENT.** If the Seller Agency box at the top
97 of page 1 is checked, Broker is a limited agent of Seller (Seller's Agent), with the following
98 additional duties:

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100 **a.** Promoting the interests of Seller with the utmost good faith, loyalty and fidelity.

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b. Seeking a price and terms that are acceptable to Seller.

c. Counseling Seller as to any material benefits or risks of a transaction that are actually known by Broker.

5. BROKERAGE RELATIONSHIP.

a. If the Seller Agency box at the top of page 1 is checked, Broker shall represent Seller as a Seller's Agent. If the Transaction-Brokerage box at the top of page 1 is checked, Broker shall act as a Transaction-Broker.

b. **In-Company Transaction – Different Brokers.** When Seller and buyer in a transaction are working with different brokers, those brokers continue to conduct themselves consistent with the brokerage relationships they have established. Seller acknowledges that Brokerage Firm is allowed to offer and pay compensation to brokers within Brokerage Firm working with a buyer.

c. **In-Company Transaction – One Broker.** If Seller and buyer are both working with the same broker, Broker shall function as:

(1) **SELLER'S AGENT.** If the Seller Agency box at the top of page 1 is checked, the parties agree the following applies:

Check One Box Only

(a) **Seller Agency.** If this box is checked, Broker shall represent Seller as Seller's Agent and shall treat the buyer as a customer. A customer is a party to a transaction with whom Broker has no brokerage relationship. Broker shall disclose to such customer Broker's relationship with Seller.

(b) **Seller Agency Unless Brokerage Relationship with Both.** If this box is checked, Broker shall represent Seller as Seller's Agent and shall treat the buyer as a customer, unless Broker currently has or enters into an agency or Transaction-Brokerage relationship with the buyer, in which case Broker shall act as a Transaction-Broker, performing the duties described in § 3 and facilitating sales transactions without being an advocate or agent for either party.

(2) **TRANSACTION-BROKER.** If the Transaction-Brokerage box at the top of page 1 is checked, or in the event neither box is checked, Broker shall work with Seller as a Transaction-Broker. If Seller and buyer are working with the same broker, Broker shall continue to function as a Transaction-Broker.

6. MATERIAL DEFECTS, DISCLOSURES AND INSPECTION.

a. **Broker's Obligations.** Colorado law requires a broker to disclose to any prospective buyer all adverse material facts actually known by such broker including but not limited to adverse material facts pertaining to the title to the Property, the physical condition of the Property, any material defects in the Property, and any environmental hazards affecting the Property required by law to be disclosed. These types of disclosures may include such matters

151 as structural defects, soil conditions, violations of health, zoning or building laws, and
152 nonconforming uses and zoning variances. Seller agrees that any buyer may have the Property
153 and Inclusions inspected and authorizes Broker to disclose any facts actually known by Broker
154 about the Property. Broker shall not be obligated to conduct an independent investigation of the
155 buyer's financial condition except as otherwise provided in the Listing Agreement.

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157 **b. Seller's Obligations.**

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159 **(1) Seller's Property Disclosure Form.** A Seller is not required by law to
160 provide any particular disclosure form. However, disclosure of known material latent (not
161 obvious) defects is required by law.

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163 **(2) Lead-Based Paint.** Unless exempt, if the improvements on the Property
164 include one or more residential dwellings for which a building permit was issued prior to
165 January 1, 1978, a completed Lead-Based Paint Disclosure (Sales) form must be signed by Seller
166 and the real estate licensees, and given to any potential buyer in a timely manner.

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168 **7. ADDITIONAL DISCLOSURES:**

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172 **THIS IS NOT A CONTRACT.**

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174 **SELLER ACKNOWLEDGEMENT:**

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177 Seller acknowledges that Seller has received this Brokerage Duties Disclosure to Seller on
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182 Seller

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182 Seller

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184 **BROKER ACKNOWLEDGEMENT:**

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186 On _____, the Broker provided _____ (Seller) with this
187 Brokerage Duties Disclosure to Seller and retained a copy for the Broker's records.

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189 Brokerage Firm's Name: _____

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193 Broker