



## Consumer Information Statement (CIS) for Consumers Seeking to **Purchase** or **Sell Residential Property** Designed for Use by 1-4 Families

**This information is from the Delaware Real Estate Commission and is not a contract.**

Delaware law, title 24 ch.29 requires real estate salespersons, associate brokers, and brokers to provide this CIS to you at the earlier of your first scheduled appointment, the first showing of a property, or making an offer. You are encouraged to read this CIS before you list your home for sale or go to view homes to buy. This is first given to you to explain Agency law in Delaware. It must be signed prior to signing an Agreement of Sale, a Listing Agreement, or any other brokerage agreement such as an Exclusive Buyer Agency Agreement.

**Presumed Agency:** You are a customer when you first contact a broker or salesperson who immediately owes you a duty of confidentiality as explained below. You automatically become a client and the other Statutory Duties begin upon the earlier of (i) the first scheduled appointment, (ii) the first showing of a property, (iii) making an offering, or (iv) the agent working for you, unless a CIS is signed indicating there is no agency relationship which means there are no duties owed to you other than confidentiality. **Under Delaware Law, it is presumed that you consent to dual agency unless you fill out this form saying you do not want dual agency.** Dual agency is explained below.

**Brokers and Salespersons as Statutory Agents:** Under Delaware law, a real estate broker, associate broker, or salesperson is a statutory agent of yours and may be a dual agent representing both parties unless you elect, in a written agreement, to enter into a common law agency relationship or to decline dual agency. A statutory agent is an independent contractor. He or she is NOT your fiduciary, but is an agent with duties specified by Delaware statutory law. Unless you say otherwise, the broker, associate broker, or salesperson also may represent both the buyer and seller with duties owed to both which is called dual agency as explained below.

### **Compensation:**

Broker and agent compensation is not set by law and is fully negotiable. There is not a “standard commission.” You should discuss compensation and the scope of services to be provided for such compensation with your real estate agent early in the process. Brokers can set their own compensation and fees based on what services are offered and their business model in the competitive marketplace. To protect your interests, it is recommended that you enter into a written agency agreement outlining your real estate agent’s duties, as well as your rights and responsibilities.

### **Important Terms:**

**Client:** The member of the public who is the principal in the statutory agency relationship.

**Customer:** A member of the public who is working with a licensee before the presumed agency relationship begins or who declines agency representation which means there are no duties other than confidentiality.

**Delaware Real Estate Commission:** The regulatory body which issues licenses to brokers and salespersons under Delaware law, and which hears complaints filed by the public with respect to Licensees. License law and rules and regulations are available on the Real Estate Commission’s website at [www.dpr.delaware.gov](http://www.dpr.delaware.gov).

**Designated Agent:** An independent contractor working with you under statutory agency. He or she may be licensed as a broker, associate broker, or a salesperson.

**Dual Agency:** Whenever a dual agency relationship exists, the designated salesperson or associate broker, that agent’s broker, and the brokerage organization may be dual agents. Examples are listed below:

1. If the same salesperson or associate broker represents both the buyer and seller in a transaction, then that salesperson or associate broker, his or her broker, and brokerage organization are all dual agents.
2. If the buyer and seller are represented by two different salespeople or associate brokers working for the same broker, then the broker and the brokerage organization are both dual agents, but the salespersons or associate broker are not.
3. If the buyer and seller are represented by two different salespeople or associate brokers working for different brokers under the same brokerage organization, then only the brokerage organization is a dual agent.

**Statutory Agent:** An agent with duties under Delaware statutory law, not common law fiduciary duties. The agent is a statutory agent for you and may be a dual agent as explained above.

**Confidentiality:** Brokers and salespersons have a duty of confidentiality to all parties from the moment of their first contact. **A broker or salesperson MAY NOT disclose the following information UNLESS the affected party has provided his or her informed consent:**

1. The buyer is willing to pay more for the property than what has been offered.
2. The seller is willing to accept less than the asking price.
3. The seller or buyer will agree to terms other than those offered.
4. Any personal motivations for any party to a transaction, **IF** that party has requested that the information be kept confidential.
5. Other confidential information, **UNLESS** disclosure is required by law, or **UNLESS** failure to disclose would be fraud or intentional misrepresentation.
6. Facts or suspicions regarding circumstances which may psychologically impact or stigmatize property under Section 2927 of Title 24 of Delaware law unless by law it must be disclosed.
7. Facts or suspicions that someone is a registered sex offender under Delaware law. Information regarding registered sex offenders is available from the Delaware State Police at [www.state.de.us/dsp/sexoff/index.htm](http://www.state.de.us/dsp/sexoff/index.htm).

**Important Information:**

1. The client and his or her broker and designated agent are not responsible for the wrongful actions of the other unless they had actual knowledge of the wrongful act, error, omission or misrepresentation; however, the person who was wrong is still responsible.
2. Notice given to a designated agent is considered notice to that designated agent's client. **Notice given to anyone else in the licensee's office is not considered notice to that client.**
3. Put it in writing! Statements and negotiations by a party are not binding until they are in writing and signed by the party.

**Brokers, Associate Brokers, and Salespersons MUST:**

1. Comply with all applicable laws, including performing the duties required of him or her by the statute and rules and regulations of the Delaware Real Estate Commission.
2. Follow all other applicable laws, including laws governing fair housing and civil rights.
3. Perform as required by the terms of any written brokerage agreement, if one exists.
4. Exercise reasonable skill and care as a broker or salesperson.
5. Advise you to obtain expert advice on material matters outside his or her expertise.
6. Account to you in a timely manner for all money and property received.
7. Help to inform the parties regarding the progress of the transaction.
8. Disclose adverse material facts or defects actually known by the broker or salesperson.
9. Put any compensation agreement in writing.

**Brokers, Associate Brokers, and Salespersons MAY:**

1. List similar properties for sale.
2. Show clients properties not owned by their other clients.
3. Show the same property one client is interested in to one or more other clients.
4. Provide information generally available to licensees, such as recent sales activity.
5. Give advice and opinions throughout the real estate transaction.
6. Help you prepare offers and counteroffers and present them in a timely manner so long as the forms used advise the parties that they may seek legal advice prior to signing.
7. Develop negotiating strategies or options for how to proceed with a transaction.
8. Perform ministerial tasks.
9. Cooperate with other brokers or salespersons.
10. Provide clients with relevant information and advice when requested.
11. Transmit financial information provided to them. Although they do not independently verify the accuracy or completeness of this information, they **MAY NOT** transmit financial information they know is false.

**Common Law Agency:** Under Delaware law, salespersons, associate brokers, and brokers are statutory agents as explained in this form and are not common law agents. If you are considering hiring a common law agent, you should obtain disclosure of the potential legal liability and financial risks of common law agency and read and understand those risks before you enter into a common law agency relationship.

1. Client(s) or Customer(s): \_\_\_\_\_

2. Licensee: \_\_\_\_\_

3. Brokerage Office Name and Registered Phone Number: \_\_\_\_\_

**4. Relationship: Nothing needs to be completed in this paragraph because the law presumes you want Agency Representation and Dual Agency unless you want to opt out by choosing a different status.**

I am the **SELLER**. The licensee identified above is:

**My designated seller’s agent and dual agent, if I am selling my property to a buyer whom the agent also represents.** This relationship is presumed by law unless you choose a different relationship by initialing one of these boxes. **You do not need to initial any of these boxes if you are staying with the presumed status of agency and dual agency.**

My designated seller’s agent <b>only</b> .	<b>Or</b>	The buyer’s agent and <b>NOT</b> my agent.
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I am the **BUYER**. The licensee identified above is:

**My designated buyer’s agent and dual agent, if I am buying a property from a seller whom the agent also represents.** This relationship is presumed by law unless you choose a different relationship by initialing one of these boxes. **You do not need to initial any of these boxes if you are staying with the presumed status of agency and dual agency.**

My designated buyer’s agent <b>only</b>	<b>Or</b>	The seller’s agent and <b>NOT</b> my agent.	<b>Or</b>	Not my agent, I am only a Customer
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It is presumed that a real estate agent at the sales office of a builder of new homes represents the builder (seller) and not the buyer unless a different relationship is indicated above. (section 2933(c)(2))

5. Signing this form does not obligate me to pay anything. I am only obligated to pay a fee if I enter into a separate written brokerage agreement (for example, a listing or buyer agency agreement) signed by me. This CIS must be signed prior to signing an Agreement of Sale, a Listing Agreement, or any other brokerage agreement such as an Exclusive Buyer Agency Agreement.

By signing this form, I acknowledge that I have been given an opportunity to read this CIS and recognize the agency or customer relationship indicated above in section 4.

\_\_\_\_\_  
Signature of Seller or Buyer                      Date: \_\_\_\_\_                      Signature of Seller or Buyer                      Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Broker or Licensee                      Date given to Seller or Buyer: \_\_\_\_\_



**AFFILIATED BUSINESS ARRANGEMENT BROKER FEE DISCLOSURE NOTICE**



CLIENT NAME: \_\_\_\_\_

Patterson-Schwartz & Associates, Inc. is pleased to endorse financing through Pike Creek Mortgage Services, Inc.; title and/or escrow closing services through The Kirsh Law Firm or Ward & Taylor, LLC; insurance services through Poland & Sullivan Insurance Services, Inc.; and home warranty services through 2-10 Home Buyers Resale Warranty Corporation.

**PIKE CREEK MORTGAGE SERVICES, INC.**

Patterson-Schwartz & Associates, Inc. (PSA) does not have a direct or indirect ownership in any mortgage service providers; however, PSA receives earnings via a marketing service agreement ("MSA") with Pike Creek Mortgage Services, Inc. ("PCMS"). You are not required to use PCMS as a condition for purchase or sale of the subject property. There are other mortgage service providers available with similar services. You are free to shop around to determine that you are receiving the best services and the best rate for these services.

**ATTORNEY/TITLE SERVICES – The Kirsh Law Firm; Ward & Taylor, LLC; T. Carney Sussex Law**

Patterson-Schwartz & Associates, Inc. ("PSA") does not have a direct or indirect ownership in any attorney and/or title organizations; however, PSA receives earnings via a marketing service agreement ("MSA") with The Kirsh Law Firm ("KLF"), Ward & Taylor, LLC ("WT") and T. Carney Sussex Law ("TCSL"). You are not required to use KLF, WT, or TCSL as a condition for purchase or sale of the subject property. There are several companies that provide similar legal services. You may be able to obtain these services at a lower rate by shopping with other legal service providers.

**INSURANCE SERVICES – Poland & Sullivan Insurance Services, Inc.**

Patterson-Schwartz & Associates, Inc. ("PSA") does not have a direct or indirect ownership in any insurance service organizations; however, PSA receives earnings via a marketing service agreement ("MSA") with Poland & Sullivan Insurance Services, Inc. ("PSIS"). You are not required to use PSIS as a condition for purchase or sale of the subject property. There are several companies that provide similar insurance services. You may be able to obtain these services at a lower rate by shopping with other insurance providers.

**HOME WARRANTY SERVICES – 2-10 Home Buyers Resale Warranty Corporation**

Patterson-Schwartz & Associates, Inc. ("PSA") does not have a direct or indirect ownership in any home warranty service organizations; however, PSA receives earnings via a marketing service agreement ("MSA") with 2-10 Home Buyers Resale Warranty Corporation ("2-10HBW"). You are not required to use 2-10HBW as a condition for purchase or sale of the subject property. There are several companies that provide similar home warranty services. You may be able to obtain these services at a lower rate by shopping with other home warranty providers.

**BROKER FEE – Patterson-Schwartz & Associates, Inc.**

In order to maintain resources dedicated to the storage and protection of customer and client data, and to provide extensive online solutions to both buyers and sellers, Patterson-Schwartz & Associates, Inc., charges a Broker Fee of \$ 295.00 in addition to our real estate commission.

**ACKNOWLEDGEMENT**

I/We have read this disclosure form and understand that PSA may receive a financial or other benefit as a result of individual or other entities utilizing mortgage, attorney, insurance and home warranty services.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_



# EXCLUSIVE BUYER/TENANT AGENCY (REPRESENTATION) AGREEMENT

*This is a legally binding agreement; if not understood, seek competent legal advice prior to signing.*



**BROKERAGE ORGANIZATION.** Patterson-Schwartz Real Estate (hereafter referred to as "Broker")

**BUYER/TENANT NAME & MAILING ADDRESS.** (hereafter referred to as "Client")

Email Address: \_\_\_\_\_

Primary Phone: \_\_\_\_\_ Secondary Phone: \_\_\_\_\_

In consideration of the services to be performed by Broker, Client appoints Broker as Client's Exclusive Agent according to the terms of this Agreement.

1. **EFFECT OF EXCLUSIVE BUYER/TENANT AGENCY (REPRESENTATION) AGREEMENT (HEREAFTER REFERRED TO AS "AGREEMENT").** By appointing Broker as Client's Exclusive Agent, Client agrees to conduct all negotiations for Property through Broker, and to refer to Broker all inquiries received from real estate brokers, salespersons, prospective sellers, landlords, or any other source during the time this Agreement is in effect. **This is an Exclusive Agreement and Client may not enter into a Buyer/Tenant Agency (Representation) Agreement with another real estate Brokerage Organization during the term of this Agreement, unless otherwise noted in Section 18.** Client understands and agrees that the Compensation payable by Client to Broker under Section 9 of this Agreement shall be deemed earned by Broker and payable upon Client's purchase or lease of real property whether or not Broker was involved in the transaction leading to such purchase. For example, if Client purchases or leases a property on their own without Broker's assistance (such as through an open house, "For Sale By Owner", or with the assistance of any other Agent), upon settlement/possession, Client would still owe Broker the Compensation described under Section 9.
2. **ACQUISITION.** Broker shall assist Client in acquiring real property (hereafter referred to as "Property") for  purchase and/or  lease (check all applicable) within the county(ies) of \_\_\_\_\_, (Delaware statewide if blank) as indicated by Client signing an offer to purchase agreement or lease agreement (including option, exchange, lease or trade) that is accepted by a Seller/Landlord.
3. **EXPIRATION.** This Agreement will expire at 11:59pm \_\_\_\_\_ 20\_\_\_\_. Should any Agreement of sale/lease ratified during the term of this Agreement not settle until after the Expiration date herein, any compensation due to Broker under this Agreement shall remain due to Broker no later than the date of final settlement/possession. Broker, in Broker's sole and absolute discretion, may terminate this Agreement at any time and effective immediately in the event Client provides any false information, misrepresents any fact to Broker or any third party, or otherwise breaches this Agreement.
4. **CANCELLATION.** Either party may cancel this Agreement upon \_\_\_\_\_ day(s) written notice after \_\_\_\_\_ day(s) from effective date.
5. **BROKER'S REPRESENTATIONS AND SERVICES.** Broker and/or Broker's Designated Agent(s) must, as specified in the Consumer Information Statement (CIS):
  - a) Comply with all applicable laws, including performing the duties required of him or her by the statute and rules and regulations of the Delaware Real Estate Commission.
  - b) Follow all other applicable laws, including laws governing fair housing and civil rights.
  - c) Perform as required by the terms of any written brokerage agreement.
  - d) Exercise reasonable skill and care as a broker or salesperson.
  - e) Advise you to obtain expert advice on material matters outside his or her expertise.
  - f) Account to you in a timely manner for all money and property received.
  - g) Help to inform the parties regarding the progress of the transaction.
  - h) Disclose adverse material facts or defects actually known by the broker or salesperson.
  - i) Put any compensation agreement in writing.

Client acknowledges Broker and Broker's Designated Agent(s) are being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, home inspector or other professional service provider. Client has been advised to seek professional advice concerning the condition of the property and legal and tax matters. Broker makes no warranties or representations regarding the value of, or the suitability of, any property for Client's purposes. Client agrees to be responsible for making all inspections and investigations necessary to satisfy Client as to the property's suitability and value. Broker recommends that any offer to purchase a property be conditioned on an inspection of the property and its improvements conducted by a licensed Home Inspector. Broker and its Designated Agent(s) have no expertise in these matters and Client is solely responsible for interviewing and selecting all inspectors.

6. **OTHER CLIENTS.** Other potential Clients may be interested in the same property as Client. It is agreed that Broker and their Designated Agent(s) may represent those Clients whether such representation arises prior to, during, or after the end of this

Client's Initials \_\_\_\_\_

Agreement. Delaware law allows licensed real estate agents to show the same property one client is interested in to one or more other clients. If two potential Clients represented by the same Designated Agent(s) want to make offers on the same property, Designated Agent(s) shall disclose the situation to each potential Client. In such a situation, Broker and Designated Agent(s) will not disclose to either Client the terms of the other's offer. If either Client does not consent to continuing to work with the same Designated Agent(s), then Broker shall assign another licensed real estate agent to work as that Client's Designated Agent(s).

7. **CLIENT'S RESPONSIBILITIES AND AUTHORIZATIONS.** Under this Agreement, Client will:
- Furnish Broker with any and all personal and/or financial information reasonably necessary to assist Client's efforts to locate suitable property.
  - Consult with Broker prior to visiting open houses or "For Sale By Owner" properties and shall not contact other Brokers or Designated Agents.
  - Cooperate with Broker and shall be reasonably available.
  - For properties not listed in the MLS, Client authorizes publication of property and applicable disclosure attachments in the MLS after settlement occurs, and use of information for marketing, appraisal, and statistical purposes.
  - Authorize Broker to share pertinent financial information with other parties or service providers as required during the course of negotiations and the transaction.
  - Authorize Broker to place a Sold sign on the property once final settlement has occurred.
8. **DISCLAIMERS AND LIMITATIONS.**
- Client is advised that Seller/Landlord and/or their respective agent(s) might not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by an agreement between the parties.
  - Client is further advised that properties shown to Client may be monitored by audio and/or video surveillance equipment and any discussion held at the property may not be confidential.
  - Client is aware that Broker may not have knowledge of all properties that may be for sale/lease, nor existing offers, at any given time. Some Brokerage Organizations may have in-house (office exclusive) properties which are not available to other Brokerage Organizations. In addition, Client acknowledges that not all properties are available on the MLS.
  - Client is advised to contact Homeowner's/Rental Insurance companies to obtain information and quotes for coverage prior to their offer to purchase/lease.
  - Some properties may require flood insurance. Client is advised to obtain information and quotes for coverage prior to their offer to purchase/lease.
  - Client is advised to carefully review the Seller's Disclosure of Real Property Condition Report prior to making an offer.
  - All properties are part of larger surrounding areas. Client is advised to research Federal, State and local governmental agencies' websites, and other sources, to become familiar with future anticipated development, global changes, climate changes, tax assessments and other similar things that may affect the property in the future.
9. **COMPENSATION.** Client acknowledges that there are not any standard Compensation rates and the Compensation in this Agreement is fully negotiable and not set by law, any Board or Association of REALTORS®, any multiple listing service (MLS), or in any manner other than as negotiated between Broker and Client. Client should discuss Compensation and the scope of services to be provided for such Compensation options with Broker or its Designated Agent(s). Brokers can set their own Compensation and fees based on what services are offered and their business model in the competitive marketplace.

A. Client shall pay Compensation as follows: (Select only one):

Compensation of \_\_\_\_\_ (% of the gross selling price/lease amount OR flat fee) plus \$ 295.00 for services rendered.

Other: \_\_\_\_\_

The amount of Compensation reflected must be objectively ascertainable and may not be open-ended (Language such as, "Broker compensation shall be whatever amount the Seller/Landlord is offering to the Client" is prohibited)

**Client may include in an Agreement of Sale/Lease a request that the Seller/Landlord Compensate Broker all or a portion of Brokers agreed upon Compensation.**

- Compensation may be offered from the listing Broker or Seller/Landlord. In such an event the Compensation offered by the listing Broker or Seller/Landlord shall be credited against the Compensation due from Client. Should any Compensation offered from the listing Broker or Seller/Landlord be less than the Compensation due from Client, the Client shall be obligated to pay the difference. In the event the Compensation offered by the listing Broker or Seller/Landlord exceeds the Compensation due from Client, the Broker shall only be entitled to the amount of Compensation due herein and any such excess shall benefit the Client only, unless otherwise mutually agreed upon in writing. Broker may not receive Compensation for brokerage services from any source that exceeds the amount or rate agreed to with the Client.
- Broker may bring available listings to the attention of Client, regardless of Seller/Landlords' offer of Compensation, or lack thereof.
- This Compensation shall be earned, due and payable if Client enters into an Agreement of Sale/Lease for any property located within the geographic areas listed herein during the term of this Agreement, or any extensions thereof, upon settlement/possession.

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- E. The Compensation shall also be due and payable upon settlement/possession if Client enters into an Agreement of Sale/Lease for property located within the geographic areas listed herein within \_\_\_\_\_ days after termination or cancellation of this Agreement, provided the property was introduced to Client by Broker during the term of this Agreement, or any extensions thereof.
- F. If not previously paid, the settlement attorney is hereby irrevocably authorized and directed to collect the Compensation as specified in this Agreement and pay the same to the Broker at final settlement as a convenience to the parties, and not as a limitation upon Clients' liability to pay the Compensation.
- G. If Client enters into an Agreement of Sale/Lease and that agreement fails to go to settlement/possession through no fault on the part of the Client, the Compensation provided in this Agreement shall be waived. If that Agreement of Sale/Lease fails to go to settlement/possession because of any fault or non-performance on the part of Client, the Compensation will not be waived, and will be due and payable immediately.
- H. Broker shall not receive Compensation in connection with this transaction from any other source unless otherwise specified and disclosed.

Other Compensation models may be negotiated in Section 18: Additional Terms of this Agreement or by a separate addendum attached hereto.

- 10. **DEPOSITS.** Client acknowledges that any deposit(s) placed on account of a ratified Agreement of Sale/Lease shall be payable, held, and refundable in accordance with the provisions of the Agreement of Sale/Lease or a separate written agreement signed by the parties.
- 11. **COSTS OF SERVICES OR PRODUCTS OBTAINED FROM OUTSIDE SOURCES.** Client agrees to promptly pay when payment is due for any and all products or services from outside sources obtained by Broker on Client's behalf, provided Client has previously authorized Broker to request such products or services. (Examples: surveys, home inspections, water tests, etc.).
- 12. **ASSIGNMENT OF CLIENT.** No assignment of Client's right under this Agreement and no assignment of rights in property obtained for Client under this Agreement shall operate to defeat any of Broker's rights.
- 13. **EQUAL OPPORTUNITY.** Properties shall be shown and made available to Client without regard to RACE, COLOR, NATIONAL ORIGIN, RELIGION, CREED, SEX, MARITAL STATUS, FAMILIAL STATUS, AGE, SEXUAL ORIENTATION, GENDER IDENTITY, SOURCE OF INCOME, HANDICAP/DISABILITY, or any other protected classes, as may from time to time be added or amended by law.
- 14. **ARBITRATION, NOT CLASS ACTION LITIGATION.** \_\_\_\_ Yes \_\_\_\_ No (only applicable if checked Yes)  
 The laws of the State of Delaware govern this Agreement and its interpretation, without regard to the application of conflict of laws. The parties agree that it is their desire and agreement that any controversy arising out of or relating to this Agreement may be exclusively and confidentially resolved through two-party (not class-based) arbitration according to the provisions of the Delaware Uniform Arbitration Act as found in Title 10 Delaware Code Part IV Chapter 57, except that discovery may include no more than a single eight-hour deposition by each side and the exchange of documents that either side reasonably may use at the arbitration hearing. The arbitration hearing shall be conducted by a Delaware lawyer as a single arbitrator. The hearing shall occur in the State of Delaware within 12 months of serving the notice of intent to arbitrate. If the parties cannot agree on choosing the arbitrator, then an arbitrator shall be appointed according to the provisions of the Delaware Uniform Arbitration Act. Any injunctive relief may also be exclusively pursued before the same arbitrator. Each party waives any right to file an action in court, or to join any class or consolidated action against the other, for any controversy arising from this Agreement. The decisions of the arbitrator will be final and binding on all parties to the controversy, and judgment on the award rendered by the arbitrator may be enforced in court as provided in the Delaware Uniform Arbitration Act. The arbitrator has exclusive power to rule on their own jurisdiction, including the existence, scope, waiver, or validity of this arbitration agreement or to the arbitrability of any claim or counterclaim, and to determine the existence or validity of this Agreement, and for this purpose alone, this arbitration section will be treated as an agreement independent of the validity of this Agreement or its other terms. Each party understands that, in the absence of this Section, there would be a right to litigate disputes through a court, including the right to litigate claims on a class-wide or class-action basis, and that both parties have expressly and knowingly waived those rights and agreed to resolve any controversies through binding arbitration in accordance with the provisions of this Section. Link to Title 10 Delaware code: <https://delcode.delaware.gov/title10/c057/index.html>
- 15. **MODIFICATION OF AGREEMENT.** Modifications of this Agreement are binding only when put in writing and signed by all parties.
- 16. **INDEMNIFICATION OF BROKER and ATTORNEY'S FEES.** Client agrees to indemnify Broker and hold Broker harmless on account of any and all loss or damage arising out of this Agency Agreement, provided Broker is not at fault, including but not limited to, attorney's fees and costs reasonably incurred by Broker in the case of litigation or arbitration.
- 17. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties and any prior agreements, whether oral or written, are not of any effect unless set forth in this Agreement. This Agreement shall be governed by and shall be constructed and enforced in accordance with the laws of the State of Delaware. If any provision of this Agreement conflicts with applicable law, such conflict shall not affect any other provision of this Agreement.

Client's Initials \_\_\_\_\_

18. **ADDITIONAL TERMS AND CONDITIONS.**

- 19. **COUNTERPARTS AND MISCELLANEOUS.** If more than one person is named as a Client herein, this Agreement may be executed by each Client, individually, and when so executed, such copies taken together shall be deemed to be a full and complete agreement between the parties. Client agrees that if an additional Client is included in an offer, or a Client is added or substituted by an addendum to an Agreement of Sale/Lease, then Client is still bound by the terms of this Agreement.
- 20. **ACKNOWLEDGEMENT.** Client acknowledges he/she has read, fully understands, and consents to this Buyer Agency (Representation) Agreement and acknowledges receipt of a copy. A facsimile, electronic record with electronic signature, or photocopy of a signed Agreement shall constitute an original.
- 21. **DELAWARE CONSUMER INFORMATION STATEMENT.** Client acknowledges that Broker or Designated Agent(s) have provided Client with a copy of, and Client has read and understands, the Delaware Consumer Information Statement, (CIS). The completed CIS is part of this Agreement. The Designated Agent shall act in conformity with the relationship described on the CIS. This shall include the Designated Agent being a Dual Agent unless excluded by the CIS.
- 22. **AGENCY RELATIONSHIP.** Broker appoints \_\_\_\_\_ (hereafter referred as "Designated Agent(s)") to represent Client. This Agreement creates an Agency Relationship with the Designated Agent(s) and Broker supervising the Designated Agent(s). Unless otherwise designated by Broker, no other Agent(s) affiliated with Broker are agents of Client. Other agents of Broker may assist Designated Agent(s) as authorized by Broker.

IF YOU DO NOT UNDERSTAND ALL OF THE TERMS OF THIS DOCUMENT, SEEK COMPETENT LEGAL ADVICE BEFORE SIGNING.

Client _____	Date _____ 20_____
Client _____	Date _____ 20_____
Client _____	Date _____ 20_____
Client _____	Date _____ 20_____

Acceptance by Broker (or Authorized Representative) _____ Date _____ 20_____
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This agreement is not binding until signed by all parties, including the Broker or their Authorized Representative.

Client's Initials \_\_\_\_\_



Broker/Agent: \_\_\_\_\_ Client: \_\_\_\_\_ Date: \_\_\_\_\_

 Seller Client  Buyer Client Address: \_\_\_\_\_**WHAT IS BRIGHT MLS?**

Bright runs the largest, most accurate, up-to-date database of properties for sale and rent in the area, creating an open, transparent market for information about available homes. Most websites and apps get their information from Bright's multiple listing service (MLS). For more information, go to [www.brightmls.com/open](http://www.brightmls.com/open).

**HOW DOES BRIGHT WORK?**

**Impartial Cooperation Among Agents and Brokers.** Bright supports an open, transparent market for property information by requiring subscribers (licensed agents and brokers) to cooperatively share information about all available properties and make them available to subscribers in the area on an impartial basis.

**Open, Transparent Access to Information.** You and your broker decide on the information, pictures, and price submitted to Bright for your home. Bright checks it for accuracy, enhances it with historical records, and shares it (for free) with 100,000+ brokers/agents and thousands of sites and apps. Bright charges you nothing; subscribers pay a flat subscription fee.

**What do I need to know about broker fees?**

What your broker may earn, and what you may pay, must be agreed in a contract by the time you (seller/landlord) sign a listing agreement, or you (buyer/tenant) are taken on a home tour. **Those amounts are not set by law, trade association, or Bright; they are fully negotiable.**

Subscribers must work impartially with their clients and other subscribers, in their client's best interest, regardless of any financial arrangement with another broker, which may not be communicated using Bright's system and must be disclosed in writing to their client.

A buyer/tenant may ask in a purchase offer for a seller/landlord to cover closing costs, including broker fees. If you are a seller/landlord, you may choose to agree to cover a buyer's closing costs or service provider fees (e.g., title, broker or lawyer fees), or provide other concessions.

Client Initials to Acknowledge Understanding the Above: \_\_\_\_\_

**As the seller/landlord, how will my broker use Bright to market my home?**

**1: When will your broker allow potential buyers/renters to learn about the property?** \_\_\_ / \_\_\_ / \_\_\_ (date)  
Subscribers must submit information to Bright about every property with an exclusive listing within two days of allowing any potential buyers (or renters) to learn about the property.

**2: How will your broker use Bright?** (Initial one applicable option)

\_\_\_\_\_ **2-A. Use Bright to share my home's information with the open market (Internet: Yes)**

Bright will share the property's information with other subscribers and popular websites/apps. You and your broker still manage access to the home (use option 2-C if tours/showings/open houses are not yet available when information must be submitted to Bright).

\_\_\_\_\_ **2-B. Use Bright to share my home's information with real estate professionals in Bright's MLS only, and do not publicly market my home on the Internet (Internet: No)**

Your broker may select not to have your property's information shared with websites/apps. You and your broker still manage access to the home (use option 2-C if tours/showings/open houses are not yet available when information must be submitted to Bright).

\_\_\_\_\_ **2-C. My home is ready for marketing, but will be ready for showings beginning on** \_\_\_ / \_\_\_ / \_\_\_ (date)

The property will be "Coming Soon" in Bright until ready for home tours/showings/open houses, and then "Active" once any of those begin. *If option 2-C is selected, also circle one: Internet: Yes / No*

\_\_\_\_\_ **2-D. I do not want my home on the open market: Restrict marketing only to my broker's network.**

Studies show that homes publicly marketed through Bright's MLS typically sell for significantly more than homes marketed as "off MLS," "off market," "private" or "exclusive." And most homes that start with restricted marketing find a buyer only once marketed through the MLS to the open market. If you want to instruct your broker to restrict marketing, then you must sign Bright's separate Limited Marketing/Office Exclusive form because this limits people's access to information.

**Bright subscribers complete this form with each client no later than signing a representation agreement.**

**If you reconsider any selection, update this form with your broker. Maintain a copy for your records.**

## HOMEBUYERS: HERE'S WHAT THE NAR SETTLEMENT MEANS FOR YOU

Buying a home is one of the largest financial transactions most people will ever undertake. Agents who are REALTORS® are a trusted source of advice and stand ready to help you navigate your homebuying journey and make the choices that work best for you. NAR's recent settlement has led to several changes that benefit homebuyers, and we wanted to clearly lay them out for you.

### Here is what the settlement means for homebuyers:

- You will sign a written agreement with your agent before touring a home.
- Before signing this agreement, you should ensure it reflects the terms you have negotiated with your agent and that you understand exactly what services and value will be provided, and for how much.
- The buyer agreement must include four components concerning compensation:
  - a. A specific and conspicuous disclosure of the amount or rate of compensation the real estate agent will receive or how this amount will be determined.
  - b. Compensation that is objective (e.g., \$0, X flat fee, X percent, X hourly rate)—and not open-ended (e.g., cannot be “buyer broker compensation shall be whatever the amount the seller is offering to the buyer”).
  - c. A term that prohibits the agent from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer; and,
  - d. A conspicuous statement that broker fees and commissions are fully negotiable and not set by law.
- Written agreements apply to both in-person and live virtual home tours.
- You do not need a written agreement if you are just speaking to an agent at an open house or asking them about their services.
- The seller may agree to offer compensation to your agent. This practice is permitted but the offer cannot be shared on a Multiple Listing Service (MLS)—MLSs are local marketplaces used by both buyer brokers and listing brokers to share information about properties for sale.

- You can still accept concessions from the seller, such as offers to pay your closing costs.

These practice changes will go into effect August 17.

**Here is what the settlement doesn't change:**

- Agents who are REALTORS® are here to help you navigate the homebuying process and are ethically obligated to work in your best interest.
- Compensation for your agent remains fully negotiable, and if your agent is a REALTOR®, they must abide by the REALTOR® Code of Ethics and have clear and transparent discussions with you about compensation. When finding an agent to work with, ask questions about compensation and understand what services you are receiving.
- You have choices. Work with your agent to understand the full range of these choices when buying a home, which will help you make the best possible decision for your needs.

**More details about these changes and what they mean can be found at:**

[facts.realtor](https://facts.realtor)

Broker/Agent: \_\_\_\_\_ Client: \_\_\_\_\_ Date: \_\_\_\_\_

 Seller Client  Buyer Client Address: \_\_\_\_\_**WHAT IS BRIGHT MLS?**

Bright runs the largest, most accurate, up-to-date database of properties for sale and rent in the area, creating an open, transparent market for information about available homes. Most websites and apps get their information from Bright's multiple listing service (MLS). For more information, go to [www.brightmls.com/open](http://www.brightmls.com/open).

**HOW DOES BRIGHT WORK?**

**Impartial Cooperation Among Agents and Brokers.** Bright supports an open, transparent market for property information by requiring subscribers (licensed agents and brokers) to cooperatively share information about all available properties and make them available to subscribers in the area on an impartial basis.

**Open, Transparent Access to Information.** You and your broker decide on the information, pictures, and price submitted to Bright for your home. Bright checks it for accuracy, enhances it with historical records, and shares it (for free) with 100,000+ brokers/agents and thousands of sites and apps. Bright charges you nothing; subscribers pay a flat subscription fee.

**What do I need to know about broker fees?**

What your broker may earn, and what you may pay, must be agreed in a contract by the time you (seller/landlord) sign a listing agreement, or you (buyer/tenant) are taken on a home tour. **Those amounts are not set by law, trade association, or Bright; they are fully negotiable.**

Subscribers must work impartially with their clients and other subscribers, in their client's best interest, regardless of any financial arrangement with another broker, which may not be communicated using Bright's system and must be disclosed in writing to their client.

A buyer/tenant may ask in a purchase offer for a seller/landlord to cover closing costs, including broker fees. If you are a seller/landlord, you may choose to agree to cover a buyer's closing costs or service provider fees (e.g., title, broker or lawyer fees), or provide other concessions.

Client Initials to Acknowledge Understanding the Above: \_\_\_\_\_

**As the seller/landlord, how will my broker use Bright to market my home?**

**1: When will your broker allow potential buyers/renters to learn about the property?** \_\_\_ / \_\_\_ / \_\_\_ (date)  
Subscribers must submit information to Bright about every property with an exclusive listing within two days of allowing any potential buyers (or renters) to learn about the property.

**2: How will your broker use Bright?** (Initial one applicable option)

\_\_\_\_\_ **2-A. Use Bright to share my home's information with the open market (Internet: Yes)**

Bright will share the property's information with other subscribers and popular websites/apps. You and your broker still manage access to the home (use option 2-C if tours/showings/open houses are not yet available when information must be submitted to Bright).

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