

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.  
(BDD56-7-20) (Mandatory 1-21)

**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.**

**1.1. Multiple-Person Firm.** If this box is checked, Broker (as defined below) is the individual designated by Brokerage Firm to perform the services for Seller required by the Listing Agreement. 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.

**1.2. One-Person Firm.** If this box is checked, Broker (as defined below) is a brokerage firm with only one licensed person. References in this Disclosure to Broker or Brokerage Firm mean both the licensed person and brokerage firm who will perform the services for Seller required by the Listing Agreement.

### **2. DEFINED TERMS.**

**2.1. Seller:** \_\_\_\_\_

**2.2. Brokerage Firm:** \_\_\_\_\_

**2.3. 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 RELATIONSHIP.**

**3.1.** If the Seller Agency box at the top of page 1 is checked, Broker will represent Seller as a limited agent of Seller (Seller's Agent). If the Transaction-Brokerage box at the top of page 1 is checked, Broker will act as a Transaction-Broker.

**3.2. In-Company Transaction – Different Brokers.** When Seller and buyer in a transaction are working with different brokers within the Brokerage Firm, 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.

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

**3.3.1. Seller's Agent.** If the Seller Agency box at the top of page 1 is checked, the parties agree the following applies:

**3.3.1.1. Seller Agency Unless Brokerage Relationship with Both.** Unless the box in § 3.3.1.2 (Seller Agency Only) is checked, Broker will represent Seller as Seller's Agent and must treat the buyer as a customer. However, if Broker delivers to Seller a written Change of Status that Broker has a brokerage relationship with the buyer then Broker is working with both Seller and buyer as a Transaction-Broker. If the box in § 3.3.1.2 (Seller Agency Only) is checked, § 3.3.1.2 (Seller Agency Only) applies instead.

**3.3.1.2. Seller Agency Only.** 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 must disclose to such customer Broker's relationship with Seller.

**3.3.2. Transaction-Broker.** If the Transaction-Brokerage box at the top of page 1 is checked, or in the event neither box is checked, Broker will work with Seller as a Transaction-Broker. A Transaction-Broker will perform the

57 duties described in § 4 and facilitate sales transactions without being an advocate or agent for either party. If Seller and  
58 buyer are working with the same broker, Broker will continue to function as a Transaction-Broker.

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60 **4. BROKERAGE DUTIES.** Brokerage Firm, acting through Broker, as either a Transaction-Broker or a Seller's  
61 Agent, will perform the following **Uniform Duties** when working with Seller:

62 **4.1.** Broker will exercise reasonable skill and care for Seller, including, but not limited to the following:

63 **4.1.1.** Performing the terms of any written or oral agreement with Seller;

64 **4.1.2.** Presenting all offers to and from Seller in a timely manner regardless of whether the Property is  
65 subject to a contract for sale;

66 **4.1.3.** Disclosing to Seller adverse material facts actually known by Broker;

67 **4.1.4.** Advising Seller regarding the transaction and advising Seller to obtain expert advice as to material  
68 matters about which Broker knows but the specifics of which are beyond the expertise of Broker;

69 **4.1.5.** Accounting in a timely manner for all money and property received; and

70 **4.1.6.** Keeping Seller fully informed regarding the transaction.

71 **4.2.** Broker will not disclose the following information without the informed consent of Seller:

72 **4.2.1.** That Seller is willing to accept less than the asking price for the Property;

73 **4.2.2.** What the motivating factors are for Seller to sell the Property;

74 **4.2.3.** That Seller will agree to financing terms other than those offered;

75 **4.2.4.** Any material information about Seller unless disclosure is required by law or failure to disclose such  
76 information would constitute fraud or dishonest dealing; or

77 **4.2.5.** Any facts or suspicions regarding circumstances that could psychologically impact or stigmatize the  
78 Property.

79 **4.3.** Seller consents to Broker's disclosure of Seller's confidential information to the supervising broker or  
80 designee for the purpose of proper supervision, provided such supervising broker or designee will not further disclose such  
81 information without consent of Seller, or use such information to the detriment of Seller.

82 **4.4.** Brokerage Firm may have agreements with other sellers to market and sell their property. Broker may show  
83 alternative properties not owned by Seller to other prospective buyers and list competing properties for sale.

84 **4.5.** Broker shall not be obligated to seek additional offers to purchase the Property while the Property is subject to  
85 a contract for sale.

86 **4.6.** Broker has no duty to conduct an independent inspection of the Property for the benefit of a buyer and has no  
87 duty to independently verify the accuracy or completeness of statements made by Seller or independent inspectors. Broker  
88 has no duty to conduct an independent investigation of a buyer's financial condition or to verify the accuracy or  
89 completeness of any statement made by a buyer.

90 **4.7.** Seller understands that Seller is not liable for Broker's acts or omissions that have not been approved,  
91 directed, or ratified by Seller.

92 **4.8.** When asked, Broker  **Shall**  **Shall Not** disclose to prospective buyers and cooperating brokers the  
93 existence of offers on the Property and whether the offers were obtained by Broker, a broker within Brokerage Firm or by  
94 another broker.

95  
96 **5. ADDITIONAL DUTIES OF SELLER'S AGENT.** If the Seller Agency box at the top of page 1 is checked,  
97 Broker is Seller's Agent, with the following additional duties:

98 **5.1.** Promoting the interests of Seller with the utmost good faith, loyalty and fidelity.

99 **5.2.** Seeking a price and terms that are set forth in the Listing Agreement.

100 **5.3.** Counseling Seller as to any material benefits or risks of a transaction that are actually known by Broker.

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102 **6. MATERIAL DEFECTS, DISCLOSURES AND INSPECTION.**

103 **6.1. Broker's Obligations.** Colorado law requires a broker to disclose to any prospective buyer all adverse  
104 material facts actually known by such broker including but not limited to adverse material facts pertaining to the title to the  
105 Property, the physical condition of the Property, any material defects in the Property, and any environmental hazards  
106 affecting the Property required by law to be disclosed. These types of disclosures may include such matters as structural  
107 defects, soil conditions, violations of health, zoning or building laws, and nonconforming uses and zoning variances. Seller  
108 agrees that any buyer may have the Property and Inclusions inspected and authorizes Broker to disclose any facts actually  
109 known by Broker about the Property. Broker is not obligated to conduct an independent investigation of the buyer's  
110 financial condition except as otherwise provided in the Listing Agreement.

111 **6.2. Seller's Obligations.**

112 **6.2.1. Seller's Property Disclosure Form.** A Seller is not required by law to provide any particular  
113 disclosure form. However, disclosure of known material latent (not obvious) defects is required by law. Seller  **Agrees**  
114  **Does Not Agree** to provide a written disclosure of adverse matters regarding the Property completed to the best of  
115 Seller's current, actual knowledge. Colorado law may require Seller to disclose certain facts regardless of whether Seller  
116 provides a written disclosure.

