

AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

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2. **MINNESOTA LAW REQUIRES** that early in any relationship, real estate brokers or salespersons discuss with
3. consumers what type of agency representation or relationship they desire.⁽¹⁾ The available options are listed below. This
4. is **not** a contract. **This is an agency disclosure form only. If you desire representation you must enter into a**
5. **written contract, according to state law** (a listing contract or a buyer/tenant representation contract). Until such time
6. as you choose to enter into a written contract for representation, you will be treated as a customer and will not receive
7. any representation from the broker or salesperson. The broker or salesperson will be acting as a Facilitator (see
8. paragraph IV on page two (2)), unless the broker or salesperson is representing another party, as described below.

9. **ACKNOWLEDGMENT: I/We acknowledge that I/we have been presented with the below-described options.**
10. **I/We understand that until I/we have signed a representation contract, I/we am/are not represented by the**
11. **broker/salesperson. I/We understand that written consent is required for a dual agency relationship.**

12. **THIS IS A DISCLOSURE ONLY, NOT A CONTRACT FOR REPRESENTATION.**

13. _____
(Signature) (Date) (Signature) (Date)

14. I. **Seller's/Landlord's Broker:** A broker who lists a property, or a salesperson who is licensed to the listing broker,
15. represents the Seller/Landlord and acts on behalf of the Seller/Landlord. A Seller's/Landlord's broker owes to
16. the Seller/Landlord the fiduciary duties described on page two (2).⁽²⁾ The broker must also disclose to the Buyer
17. material facts as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and
18. significantly affect the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to
19. rental/lease transactions.) If a broker or salesperson working with a Buyer/Tenant as a customer is representing the
20. Seller/Landlord, he or she must act in the Seller's/Landlord's best interest and must tell the Seller/Landlord any
21. information disclosed to him or her, except confidential information acquired in a facilitator relationship (see paragraph
22. IV on page two (2)). In that case, the Buyer/Tenant will not be represented and will not receive advice and counsel
23. from the broker or salesperson.

24. II. **Buyer's/Tenant's Broker:** A Buyer/Tenant may enter into an agreement for the broker or salesperson to represent
25. and act on behalf of the Buyer/Tenant. The broker may represent the Buyer/Tenant only, and not the Seller/Landlord,
26. even if he or she is being paid in whole or in part by the Seller/Landlord. A Buyer's/Tenant's broker owes to the
27. Buyer/Tenant the fiduciary duties described on page two (2).⁽²⁾ The broker must disclose to the Buyer material facts
28. as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and significantly affect
29. the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)
30. If a broker or salesperson working with a Seller/Landlord as a customer is representing the Buyer/Tenant, he or
31. she must act in the Buyer's/Tenant's best interest and must tell the Buyer/Tenant any information disclosed to him
32. or her, except confidential information acquired in a facilitator relationship (see paragraph IV on page two (2)). In
33. that case, the Seller/Landlord will not be represented and will not receive advice and counsel from the broker or
34. salesperson.

35. III. **Dual Agency - Broker Representing both Seller/Landlord and Buyer/Tenant:** Dual agency occurs when one
36. broker or salesperson represents both parties to a transaction, or when two salespersons licensed to the same
37. broker each represent a party to the transaction. Dual agency requires the informed consent of all parties, and
38. means that the broker and salesperson owe the same duties to the Seller/Landlord and the Buyer/Tenant. This
39. role limits the level of representation the broker and salesperson can provide, and prohibits them from acting
40. exclusively for either party. In a dual agency, confidential information about price, terms and motivation for pursuing
41. a transaction will be kept confidential unless one party instructs the broker or salesperson in writing to disclose
42. specific information about him or her. Other information will be shared. Dual agents may not advocate for one party
43. to the detriment of the other.⁽³⁾

44. Within the limitations described above, dual agents owe to both Seller/Landlord and Buyer/Tenant the fiduciary
45. duties described below.⁽²⁾ Dual agents must disclose to Buyers material facts as defined in MN Statute 82.68, Subd.
46. 3, of which the broker is aware that could adversely and significantly affect the Buyer's use or enjoyment of the
47. property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)

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49. IV. **Facilitator:** A broker or salesperson who performs services for a Buyer/Tenant, a Seller/Landlord or both but
50. does not represent either in a fiduciary capacity as a Buyer's/Tenant's Broker, Seller's/Landlord's Broker or Dual
51. Agent. **THE FACILITATOR BROKER OR SALESPERSON DOES NOT OWE ANY PARTY ANY OF THE FIDUCIARY**
52. **DUTIES LISTED BELOW, EXCEPT CONFIDENTIALITY, UNLESS THOSE DUTIES ARE INCLUDED IN A**
53. **WRITTEN FACILITATOR SERVICES AGREEMENT.** The facilitator broker or salesperson owes the duty of
54. confidentiality to the party but owes no other duty to the party except those duties required by law or contained in
55. a written facilitator services agreement, if any. In the event a facilitator broker or salesperson working with a Buyer/
56. Tenant shows a property listed by the facilitator broker or salesperson, then the facilitator broker or salesperson
57. must act as a Seller's/Landlord's Broker (see paragraph I on page one (1)). In the event a facilitator broker or
58. salesperson, working with a Seller/Landlord, accepts a showing of the property by a Buyer/Tenant being represented
59. by the facilitator broker or salesperson, then the facilitator broker or salesperson must act as a Buyer's/Tenant's
60. Broker (see paragraph II on page one (1)).

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61. (1) This disclosure is required by law in any transaction involving property occupied or intended to be occupied by
62. one to four families as their residence.
63. (2) The fiduciary duties mentioned above are listed below and have the following meanings:
64. Loyalty - broker/salesperson will act only in client(s)' best interest.
65. Obedience - broker/salesperson will carry out all client(s)' lawful instructions.
66. Disclosure - broker/salesperson will disclose to client(s) all material facts of which broker/salesperson has knowledge
67. which might reasonably affect the client(s)' use and enjoyment of the property.
68. Confidentiality - broker/salesperson will keep client(s)' confidences unless required by law to disclose specific
69. information (such as disclosure of material facts to Buyers).
70. Reasonable Care - broker/salesperson will use reasonable care in performing duties as an agent.
71. Accounting - broker/salesperson will account to client(s) for all client(s)' money and property received as agent.
72. (3) If Seller(s)/Landlord(s) elect(s) not to agree to a dual agency relationship, Seller(s)/Landlord(s) may give up the
73. opportunity to sell/lease the property to Buyer(s)/Tenant(s) represented by the broker/salesperson. If Buyer(s)/
74. Tenant(s) elect(s) not to agree to a dual agency relationship, Buyer(s)/Tenant(s) may give up the opportunity to
75. purchase/lease properties listed by the broker.

76. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender
77. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be
78. obtained by contacting the local law enforcement offices in the community where the property is located,
79. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections Web site at
80. <https://coms.doc.state.mn.us/publicregistrantsearch>

MN:AGCYDISC-2 (8/19)

BUYER TOURING AGREEMENT

This Buyer Touring Agreement ("**Agreement**") is made between "**Buyer**" and "**Broker**" as identified in the signature block.
NOTE: BROKERAGE COMPENSATION & COMMISSIONS ARE NOT SET BY LAW AND ARE FULLY NEGOTIABLE.

1. Purpose/Services.

- a. Under this Agreement, Broker will assist Buyer in locating a property to purchase only by arranging appointments and conducting tours of available properties with Buyer (the "**Services**"). Buyer gives Broker the **non-exclusive** right to provide these Services.
- b. If Buyer wishes to submit an offer for a property toured under this Agreement ("Property") or to engage Broker for other brokerage services, the parties may enter a separate agreement addressing those other services and compensation due to Broker for them, if any.
- c. Buyer has a bona fide interest in the purchase of real estate. Buyer will provide Broker with all information necessary to facilitate the Services. Buyer will pay Broker the compensation in Section 3, if any.
- d. Buyer ☐ **MAY** ☐ **MAY NOT** (*please check one*) tour with Broker listings for which Broker is a "**Seller's Broker**," as that term is defined in Minnesota law; i.e., listings where Broker has a contract with the seller to represent the seller.
 - i. If "may" is checked, Buyer will be an **unrepresented buyer** on any Property where Broker is a Seller's Broker, and Buyer should not share confidential information with Broker. (Seller's Brokers are required to disclose to their sellers any information relevant to the sale of their listings.)
 - ii. On any Property where Broker is not a Seller's Broker, Broker will work as a "**Facilitator**" as that term is defined in Minnesota law.

____ (Broker's initials) ____ (Buyer's initials). Buyer acknowledges receipt of Minnesota's "Agency Relationships in Real Estate Transactions" disclosure which describes Buyer/Broker relationships.

- e. Broker and Buyer each acknowledge that **Broker does not represent Buyer as Buyer's agent. Broker does not owe Buyer any duties other than as specified in this Agreement and as required by Minnesota law.**
- f. Broker will use commercially reasonable efforts to provide the Services to Buyer. Broker may represent or work with other potential buyers for the same or similar properties. Broker will deal honestly with all parties and in compliance with all laws and regulations.

2. **Term.** This Agreement begins on _____ and ends at 11:59 p.m. on _____. This Agreement ☐ **CAN** ☐ **CANNOT** (*please check one*) be canceled by either party upon written notice to the other prior to its expiration.

3. **Broker's Compensation.** Buyer must pay Broker the Total Compensation set out below when due unless Buyer makes an offer to purchase a Property for which Broker is a Seller's Broker. Total Compensation will be kept by Broker whether or not Buyer purchases a Property. Buyer may direct Broker to obtain as much as possible of the Total Compensation from listing broker or seller, but Buyer remains liable for the balance. Broker may not, however, receive compensation (from any source) for the Services to Buyer that exceeds the Total Compensation. "**Total Compensation**" is the sum of all the following (*check all that apply*):

- ☐ **No fee.** Buyer owes Broker no compensation for the Services. (*If this option is checked, do not check any others.*)
- ☐ **Flat fee.** Buyer shall pay a flat fee of \$_____, due ☐ upon signing this Agreement ☐ within ____ days after invoice from Broker (*please check one*).
- ☐ **Per-tour fee.** Buyer shall pay a fee of \$_____ for each tour of any Property, due within ____ days after invoice from Broker.
- ☐ **Hourly fee.** Buyer shall pay a fee of \$_____ for each hour that Broker spends in providing Services hereunder, due within ____ days after invoice from Broker.
- ☐ **Other fee.** _____

4. **Broker as Seller's Broker.** If Broker is a Seller's Broker for a Property that Buyer purchases, Buyer will pay no Total Compensation to Broker for the Services. Broker's services are not free, but Broker's compensation will come from the seller of the Property for services the Broker has rendered to the seller, which include finding a buyer for the Property.

5. **Fair Housing.** Broker's services are provided without regard to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, gender identity, or sexual orientation. Local ordinances may provide for additional protected classes.

6. **Miscellaneous. This Agreement is legally binding. Buyer should seek legal advice if Buyer has questions about any of the terms of this Agreement.** This Agreement constitutes the entire agreement between the parties.

This Agreement is agreed to and accepted by the parties below.

_____ Broker's Printed Name (<i>Brokerage & Licensee Names</i>)	_____ Buyer's Printed Name
_____ Broker's Signature (<i>Licensee</i>)	_____ Buyer's Signature
Date: _____	Date: _____