(If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(j), (k), and (l).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

**SELLER’S AGENT**

A Seller’s agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller’s agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:
(a) Diligent exercise of reasonable skill and care in performance of the agent’s duties.
(b) A duty of honest and fair dealing and good faith.
(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**BUYER’S AGENT**

A Buyer’s agent can, with a Buyer’s consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller’s agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:
(a) Diligent exercise of reasonable skill and care in performance of the agent’s duties.
(b) A duty of honest and fair dealing and good faith.
(c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**AGENT REPRESENTING BOTH SELLER AND BUYER**

A real estate agent, either acting directly or through one or more salespersons and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer’s or Seller’s financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller’s willingness to accept a price less than the listing price or the Buyer’s willingness to pay a price greater than the price offered.

**SELLER AND BUYER RESPONSIBILITIES**

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent’s role.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/W ANnowledge receipt of a copy of this disclosure and the portions of the civil code printed on the back (or a separate page).

Buyer/Seller/Landlord/Tenant __________________________ Date __________

Buyer/Seller/Landlord/Tenant __________________________ Date __________

Agent __________________________ DRE Lic. # __________ Date __________

By __________________________ DRE Lic. # __________ Date __________

(Salesperson or Broker-Associate, if any)
2079.13. As used in Sections 2079.7 to 2079.24, inclusive, the terms have the following meanings:

(a) “Agent” means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears the same relationship to the principal agent’s salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate performs. (b) “Buyer” means a transference in a real property transaction and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. “Buyer” includes vendee or lessee of real property. (c) “Commercial real property” means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 799.05 of the Government Code, or (4) “Dual agent” means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) “Listing agreement” means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. “Seller’s agent” means an agent acting in the real property transaction which is the object of the agency with the written consent of the parties to the agency relationship. (g) “Listing price” is the amount expressed in dollars specified in the listing for the purpose of attracting a buyer. (h) “Offering price” is the amount expressed in dollars specified in an offer to purchase which the seller is willing to accept. (i) “Offer to purchase” means a written contract executed by a buyer acting through a buyer’s agent that becomes the contract for the sale of the real property when accepted by the seller. (j) “Real property” means any estate as specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacuum land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) “Real property transaction” means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and a seller to act in that transaction, and includes a listing or an offer to purchase. (l) “Sell,” “sale,” or “sold” refers to a transaction for the transfer of real property ownership from one person to another. “Transfer of real property” means a transaction for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year’s duration. (m) “Seller” means a transferee of real property and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. “Seller’s agent” means an agent acting for a seller. “Buyer’s agent” means an agent representing a buyer in a real property transaction. 

2079.14. A seller’s agent and buyer’s agent shall disclose to the seller and buyer whether the agent is acting in the real property transaction which is the object of the agency relationship. 

2079.15. The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. 

2079.16. Reproduced on Page 1 of this AD form.

2079.17. As soon as practicable, the buyer’s agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction which is the object of the agency relationship. The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent’s duty to disclose and confirm in this section may be performed by a real estate salesperson or broker associate affiliated with that broker. 

2079.18 (Repealed pursuant to AB-1289) 

2079.19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship. 

2079.20. Nothing in this article prevents an agent from selecting, as a condition of the agent’s employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer’s agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. 

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the buyer. (b) A dual agent may not, without the express permission of the seller, disclose to the seller any confidential information obtained from the buyer. (c) “Confidential information” means facts relating to the client’s financial position, motivations, bargaining position, or other personal information which is of such a nature that the seller or buyer is willing to disclose to the dual agent at a price less than the price of the services of a single agent or the agent is willing to disclose to a buyer or seller at a price greater than the price offered. (d) This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price. 

2079.22 Nothing in this article precludes a seller’s agent from also being a buyer’s agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent. 

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agreement with the written consent of the parties to the agency relationship. 

2079.24. As used in Sections 2079.7 to 2079.24, inclusive, the following terms have the following meanings:

This form has been APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. 
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AD REVISED 12/18 (PAGE 2 OF 2)