



CHICAGO ASSOCIATION OF REALTORS®
Disclosure and Consent to Dual Agency
 (Designated Agency)



[TO BE EXECUTED PRIOR TO ENGAGING AS A DUAL AGENT OF ANY OFFER, CONTRACT TO PURCHASE, OR LEASE]

The amount and how brokerage commissions are formulated are not set by law and are fully negotiable.

1 **Client Name:** _____

2 **Sponsoring Broker Company:** _____

3 The undersigned _____, ("**Designated Agent**"), (insert name(s) of
 4 *Licensee undertaking dual representation*) may undertake a dual representation (represent both the seller or landlord and the
 5 buyer or tenant) for the sale or lease of property. The undersigned acknowledge they were informed of the possibility of this type
 6 of representation. Before signing this document please read the following:

7 Representing more than one party to a transaction presents a conflict of interest since both clients may rely upon
 8 Licensee's advice and the client's respective interests may be adverse to each other. Licensee will undertake this
 9 representation only with the written consent of ALL clients in the transaction.

10 Any agreement between the clients as to a final contract price and other terms is a result of negotiations between the
 11 clients acting in their own best interests and on their own behalf. You acknowledge that Licensee has explained the
 12 implications of dual representation, including the risks involved, and understand that you have been advised to seek
 13 independent advice from your advisors or attorneys before signing any documents in this transaction.

14 **WHAT A LICENSEE CAN DO FOR CLIENTS WHEN ACTING AS A DUAL AGENT**

- 15 1. Treat all clients honestly.
- 16 2. Provide information about the property to the buyer or tenant.
- 17 3. Disclose all latent material defects in the property that are known to the Licensee.
- 18 4. Disclose financial qualification of the buyer or tenant to the seller or landlord.
- 19 5. Explain real estate terms.
- 20 6. Help the buyer or tenant to arrange for property inspections.
- 21 7. Explain closing costs and procedures.
- 22 8. Help the buyer compare financing alternatives.
- 23 9. Provide information about comparable properties that have sold so both clients may make educated decisions on
 24 what price to accept or offer.

25 **WHAT LICENSEE CANNOT DISCLOSE TO CLIENTS WHEN ACTING AS A DUAL AGENT**

- 26 1. Confidential information that Licensee may know about a client, without that client's permission.
- 27 2. The price or terms the seller or landlord will take other than the listing price without permission of the seller or landlord.
- 28 3. The price or terms the buyer or tenant is willing to pay without permission of the buyer or tenant.
- 29 4. A recommended or suggested price or terms the buyer or tenant should offer.
- 30 5. A recommended or suggested price or terms the seller or landlord should counter with or accept.

31 If either client is uncomfortable with this disclosure and dual representation, please let Licensee know. **You are not required to**
 32 **sign this document unless you want to allow the Licensee to proceed as a Dual Agent in this transaction.**

33 By signing below, you acknowledge that you have read and understand this form and voluntarily consent to the Licensee acting as
 34 a Dual Agent (that is, to represent BOTH the seller or landlord and the buyer or tenant) should that become necessary.

35 **NOTE TO CONSUMER: THIS DOCUMENT SERVES THREE PURPOSES. FIRST, IT DISCLOSES THAT A REAL ESTATE LICENSEE MAY**
 36 **POTENTIALLY ACT AS A DUAL AGENT, THAT IS, REPRESENT MORE THAN ONE PARTY TO THE TRANSACTION. SECOND, THIS**
 37 **DOCUMENT EXPLAINS THE CONCEPT OF DUAL AGENCY. THIRD, THIS DOCUMENT SEEKS YOUR CONSENT TO ALLOW THE REAL**
 38 **ESTATE LICENSEE TO ACT AS A DUAL AGENT. A LICENSEE MAY LEGALLY ACT AS A DUAL AGENT ONLY WITH YOUR CONSENT. BY**
 39 **CHOOSING TO SIGN THIS DOCUMENT, YOU ARE CONSENTING TO DUAL AGENCY REPRESENTATION.**

40 Document presented to Client on: _____ (MM/DD/YYYY)

41 _____
42 Client Signature Date

_____ Date
Designated Agent Signature

43 _____
44 Client Signature Date