



## CONSUMER GUIDE TO AGENCY RELATIONSHIPS

Cutler Real Estate is able to provide you with expertise and assistance whether you are selling, buying or leasing real estate. It is important to understand the role of the broker(s) and agent(s) with whom you are working, as for many individuals, buying or selling their home is one of the largest financial transactions that they will experience. This Consumer Guide contains information that explains the various services agents may offer and your options to work with them.

### 1. SELLER REPRESENTATION

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When a seller lists their home for sale with a real estate brokerage, they sign a listing agreement that authorizes the brokerage and the listing agent to represent their interests. When representing the seller, the brokerage and listing agent must follow the seller's lawful instructions, be loyal to the seller, promote the seller's best interests, disclose material facts to the seller, maintain confidential information, act with reasonable skill and care and account for any money they handle in the transaction. Periodically, a listing broker may offer "sub-agency" to other brokerages who would additionally represent the seller's interests as well as owe the seller the aforementioned duties. Cutler Real Estate does not practice sub-agency.

When Cutler Real Estate lists property for sale, it may cooperate with other brokerages that represent a buyer and the seller may elect to offer compensation to a buyer's broker as detailed in a listing agreement between the seller and the broker. In this example, Cutler Real Estate would continue to represent the seller while the other brokerage will represent the buyer.

### 2. BUYER REPRESENTATION

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Cutler Real Estate recommends that a buyer is represented by an agent in every real estate transaction. When representing the buyer, the brokerage and agent are required to promote the buyer's best interests, follow the buyer's lawful instructions, be loyal to the buyer, disclose material facts to the buyer, maintain confidential information and account for any money they handle in the transaction.

When Cutler Real Estate is the broker representing a buyer, it will seek from the seller, or seller's broker, all, if not a portion, of the buyer's obligation of compensation established in a Buyer Representation Agreement. Cutler Real Estate will represent the buyer while the other brokerage will represent the seller.

Ohio law permits real estate agents and brokers to represent more than one buyer at a time and to show those buyers the same properties. On occasion, more than one buyer represented by the same agent may want to place an offer to purchase the same property and this is referred to as "contemporaneous offers" under Ohio law. If this situation occurs, you will be notified and you may request appointment of another agent affiliated with Cutler Real Estate to represent you. Your agent is not permitted to disclose to the other buyer(s) your identity or the terms of your offer to purchase.

If you choose not to be represented on a property listed by Cutler Real Estate, you would represent your own best interests while Cutler Real Estate would represent the seller. Because the listing agent has a duty of full disclosure to the seller, you are advised not share any information with the listing agent that you would not want communicated to the seller.



### 3. DUAL AGENCY

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Dual Agency occurs when the same agent or the brokerage represents both the seller and the buyer in a transaction. When a brokerage or its agent becomes a dual agent, they must: (1) maintain a neutral position in the transaction, (2) not advocate the position of one client over the best interests of the other client, or (3) not disclose any confidential information to the other party.

#### **TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE:**

Cutler Real Estate offers representation to both buyers and sellers, and as a result, the potential exists for one agent to represent a buyer who wishes to purchase property listed with another agent affiliated with Cutler Real Estate. In this situation, each agent will represent their own client, but the broker, Cutler Real Estate, and its managers, who are not personally representing the buyer or seller, will act as a dual agent. Cutler Real Estate will supervise the agents on both sides of the transaction in accordance with Ohio law.

#### **TRANSACTION INVOLVING ONE REAL ESTATE AGENT:**

In the event that both the buyer and seller are represented by the same agent, that agent and Cutler Real Estate will act as a dual agent only upon agreement, in writing, of all parties. As a dual agent, the agent will take an unbiased position, treat both parties honestly, prepare and present offers at the direction of the parties and help the parties fulfill the terms of any contract while at the same time ensuring confidential information is not disclosed that would place one party at an advantage over the other or advocate/negotiate to the detriment of either party. If you do not agree to your agent acting as a dual agent, you may ask that another agent affiliated with Cutler Real Estate be assigned to represent you.

### 4. FAIR HOUSING STATEMENT

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It is illegal, pursuant to the Ohio Fair Housing Law, Division (H) of Section 4112.02 of the Revised Code and the Federal Fair Housing Law, 42 U.S.C.A. 3601, as amended, to refuse to sell, transfer, assign, rent, lease, sublease or finance housing accommodations, refuse to negotiate for the sale or rental of housing accommodations, or otherwise deny or make unavailable housing accommodations because of race, color, or religion, sex, familial status as defined in Section 4112.01 of the Revised Code, ancestry, military status as defined in that section, disability as defined in that section, or national origin or to so discriminate in advertising the sale or rental of housing, in the financing of housing, or in the provision of real estate brokerage services. It is also illegal, for profit, to induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons belonging to one of the protected classes.

**Please note:** When you are ready to enter into a transaction, you will be given an Agency Disclosure Statement that specifically identifies the role of the agents and brokerages. For more information on agency law in Ohio, you can contact the Ohio Division of Real Estate & Professional Licensing at (614) 466-4100, or on their website [www.com.state.oh.us](http://www.com.state.oh.us).

**Ohio law requires that we ask you to sign below, acknowledging receipt of this Consumer Guide. Your signature will not obligate you to be represented by Cutler Real Estate if you do not choose to do so.**

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NAME (PLEASE PRINT)

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NAME (PLEASE PRINT)

SIGNATURE

DATE

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