



AHI Accredited Homestudy Institute
AHI Real Estate & Insurance Services

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I. DESIGNATED AGENCY

A licensee shall advise a **consumer**, in writing, no later than beginning to work as a **Designated Licensee with a consumer** (This means anyone seeking real estate services. This Includes Buyers, Sellers, Lessees And Lessors).

- ✓ The name or names of his or her Designated Licensee or licensees.
- ✓ Written disclosure can be included in a Brokerage agreement or be a separate document, a copy of which is retained by the Sponsoring Broker for the licensee for a period of 5 years..
- ✓ The Sponsoring Broker is responsible for keeping records of the disclosure forms even if no transaction ever occurred.

Who is required to sign and date the disclosure?

- ✓ The Managing Broker
- ✓ The Designated Agent

Disclosure must be kept by the sponsoring broker for a period of 5 years.

II. NON-AGENCY & MINISTERIAL ACTS

A. Non-Agency Disclosure

1. Licensee must disclose in writing to a customer that the licensee is not acting as the agent of the customer **at a time intended to prevent disclosure of confidential information, but no later than the time of writing a contract..**
2. Learning ANY confidential information prior to written disclosure of non-agency to the consumer, **the consumer will be a client (Too late to use this form).**
3. Disclose up front in writing to a consumer at an **OPEN HOUSE A Notice of Non-Agency.**
4. Disclose up front in writing to a **"For Sale by Owner" A Notice of Non-Agency.**
5. A licensee that sells, buys or leases **their own property or any property that they have any financial interest in MUST disclose in writing to the consumer of Non-Agency.**
6. **Non-Agency** disclosures are required when working with Buyers, Sellers, **Lessees and Lessors.**
7. The purpose of this form is to avoid DUAL AGENCY occurring whenever possible.
8. You can still collect all your commission on both the seller & buyer side even though a non-agency relationship exists with one of the parties to the transaction.

B. Ministerial Acts & the Law

1. **A licensee representing a client** may provide assistance to a customer (non-agency relationship) by performing ministerial acts.

2. **Performing ministerial acts** for a customer **does not violate the Brokerage agreement** with the client or create a dual agency.
3. Ministerial acts are **informative or clerical in nature** and **DO NOT** rise to the level of active representation on behalf of a consumer.

C. Examples of ministerial acts as performed for consumers are:

1. Responding to the **availability and pricing of Brokerage services**,
2. Responding to **inquiries concerning the price or location of property**,
3. **Attending an open house** and **responding to questions about the property**,
4. Setting an **appointment to view property**,
5. **Responding to questions concerning Brokerage services offered or particular properties**,
6. Accompanying **an appraiser, inspector, contractor**, etc,
7. **Describing a property or the property's condition** in response to an inquiry,
8. **Completing business or factual information for a consumer on an offer or contract to purchase** on behalf of a client, (ie) showing a client through a property being sold by an owner on his or her own behalf, or
9. **Referral to another Sponsoring Broker** or service provider.

II. DUAL AGENCY

A. Terms & Conditions of Dual Agency

1. Only with the informed written consent of all clients.
2. **Must be disclosed in writing PRIOR TO IT OCCURRING (before you tell a buyer about your listing.)**
3. **Must be signed prior to acting as a dual agent (prior to you telling a buyer about your listing.)**
4. Client **MUST** agree to dual agency again at the time of a contract.

B. WHAT LICENSEES CANNOT DISCLOSE TO CLIENTS WHEN ACTING AS A DUAL LICENSEE

1. Confidential information about a client, without that client's permission.
2. The **PRICE OR TERMS** the seller or landlord will take other than the listing price.
3. The **PRICE OR TERMS** the buyer or tenant is willing to pay.
4. A recommended or suggested **PRICE OR TERMS** the buyer or tenant should offer.
5. A recommended or suggested **PRICE or TERMS** the seller or landlord should counter with or accept.

"TERMS" was added to the Disclosure form thus limiting even further what you can do as a dual agent.

A licensee cannot serve as a dual agent in any transaction to which he or she, or an entity in which he or she, has an ownership interest or is a party to the transaction.

Dual Agency Disclosures are required when working with buyers and sellers; lessee and lessors in the same transaction.

Re-Confirmation of Dual Agency is required at time of contract

Detailed Information can be obtained in our CORE A Fair Housing, License Law, Agency, Escrow Course ([link](#))