



## Ohio Revised Code

### Section 4735.57 Agency disclosure statement - dual agency disclosure.

Effective: January 1, 2005

Legislation: Senate Bill 106 - 125th General Assembly

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(A) The superintendent of real estate, with the approval of the Ohio real estate commission, shall establish by rule an agency disclosure statement. The agency disclosure statement shall contain a place for the licensee and the parties to the transaction to sign and date the statement and shall contain sections for the disclosure or explanation of all of the following:

- (1) Unless confidential, the names of all the parties in the transaction;
- (2) The address of the real estate being sold or leased;
- (3) The name of the licensee or licensees and the brokerage with which each licensee is affiliated;
- (4) The party that each licensee in the named brokerage represents in the transaction;
- (5) If a licensee representing a purchaser of real estate and a licensee representing the seller of that real estate are affiliated with the same brokerage, whether the two licensees are acting as dual agents or are individually representing the purchaser and seller separately;
- (6) If only one licensee is involved in the transaction, whether that licensee is a dual agent or represents only one party to the transaction;
- (7) If both the purchaser and the seller are represented by licensees affiliated with the same brokerage, that the brokerage is a dual agent;
- (8) That the signature of the client indicates the client's informed consent to the agency relationship and that if the client does not understand the agency disclosure statement, the client should consult an attorney.

(B) The agency disclosure statement shall specify the duties of a licensee acting as a dual agent and



shall contain sections disclosing all of the following:

- (1) An explanation of the nature of a dual agency relationship, including a statement that in serving as a dual agent, licensees in the brokerage represent two clients whose interests are, or at times could be, different or adverse;
- (2) That as a result of the dual agency relationship, the dual agent may not be able to advocate on behalf of the client to the same extent the agent may have if the agent represented only one client;
- (3) A description of the duties the brokerage and its affiliated licensees and employees owe to each client, including the duty of confidentiality;
- (4) That neither the brokerage nor its affiliated licensees have any material relationship with either client other than incidental to the transaction, or if the brokerage or its affiliated licensees have a material relationship, a disclosure of the nature of the relationship. For purposes of this division, "material relationship" means any actually known personal, familial, or business relationship between the brokerage or an affiliated licensee and a client that could impair the ability of the brokerage or affiliated licensee to exercise lawful and independent judgment relative to another client.
- (5) That as a dual agent, the brokerage cannot engage in conduct that is contrary to the interests or instructions of one party or act in a biased manner on behalf of one party;
- (6) A section specifying the source of compensation to the real estate broker;
- (7) That the client does not have to consent to the dual agency relationship, and the options available to the client for representation in the transaction if the client does not consent, including the right of the client to terminate the agency relationship and seek representation from another source;
- (8) That the consent to the dual agency relationship by the client has been given voluntarily, that the signature indicates informed consent, and that the duties of a licensee acting as a dual agent disclosed to the client pursuant to division (B) of this section have been read and understood.