Dedicated to the Quality of Service You Have Come to Expect

CORPORATE POLICY REGARDING AGENCY

SECTION A: GENERAL POLICY ON AGENCY

1) It is the policy of Howard & Associates Real Estate to only represent sellers. Affiliated licensees may only act as a seller's agent when they list property or sell property listed with our brokerage to buyers. On properties listed with another brokerage, all licensees affiliated with Howard & Associates Real Estate must act as subagents.
2) Howard & Associates Real Estate does not represent buyers or act as dual agent except as provided in Section D and E.
3) When representing a seller, Howard & Associates Real Estate and its agents owe the seller the duties of loyalty, obedience, confidentiality, accounting and reasonable skill and care in performing our duties, and any other duties contained in our listing agreement. We are required to act solely on behalf of the seller's interest to seek the best price and terms for the seller. Finally, as a seller's agent, we also have a duty to disclose to the seller all material information obtained from the buyer or from any other source.
4) When salespersons are functioning as a subagent on another broker's listing, Howard & Associates Real Estate and its salespersons represent the seller. As a subagent, they have all of the same duties as the seller's agent, including a duty of confidentiality and a duty to disclose material facts to the seller. In subagency, the buyer is not represented in any agency capacity.
5) Agents shall consider buyers with whom they are working to be customers. Although they are customers, buyers should be treated by agents with honesty and agents should disclose all material facts pertaining to the physical condition of the property that the buyers could not discover on their own. The agent can also provide buyers with information concerning lenders, inspectors, attorneys and the like, as well as market information that is from a public source. Agents cannot disclose to the buyer confidential information about the seller without the seller's permission.

SECTION B: MANAGEMENT-LEVEL POSITIONS

The following positions in the brokerage are considered to be management level:

Peter S. Howard, Broker

E. Stephen Denny, Broker

Stephen M Card, Office Secretary

SECTION C: APPOINTMENT OF LICENSEES

The listing contract used by agents contains language that appoints all agents in the brokerage to represent that seller. Thus, no further appointment is necessary in the event an agent wants to sell a property listed with another agent in our brokerage.

SECTION D: WORKING WITH RELATIVES, BUSINESS ASSOCIATES, ETC.

1) If a family member, business associate or other person with whom an agent has a personal relationship wants to sell property, that agent shall act as a listing agent. Any family, business or personal relationship shall be disclosed in writing to the buyer, or to any agent with whom the buyer is working, prior to entering into a purchase contract. *(Note: This is required by Article 4 of the National Association of REALTORS Code of Ethics.)*

2) If a relative, business associate or other person with whom an agent has a personal relationship wishes to purchase property through the agent, that agent shall immediately notify Howard & Associates Real Estate.

3) a) If Howard & Associates Real Estate deems it appropriate, the agent, in that limited instance, can act as a buyer's agent. *(Note: This sample policy is written based on the assumption that if the buyer eventually purchases property listed with our brokerage, the brokerage will want both agents to function as dual agents. It would be feasible, however, for a brokerage choosing policy A to allow the listing agent in this instance to solely represent the seller without being a dual agent. The buyer's agent would have to be a dual agent, unless the seller agreed otherwise.)*

b) The buyers must acknowledge receiving a "Consumer Guide to Agency Relationships" before the agent can show them property, pre-qualify them or perform other typical agent duties. The buyers must also sign a buyer agency agreement.

(Note: A brokerage is not required to use a buyer agency agreement. However, in the rare situation where a buyer is represented, if the brokerage adopts a policy that the buyer agency relationship is binding on all licensees in the brokerage, a buyer agency agreement should be used which includes language appointing all licensees in the brokerage to represent the buyer.)

4) On properties listed with other brokerages, the agent shall notify them on first contact that they are representing the buyers. If an offer is made, the Agency Disclosure Statement must accompany that offer when it is delivered to the listing agent. The nature of any family, business or personal relationship shall be indicated in the offer.
5) On properties listed with our brokerage, the buyers must be notified immediately that this is a dual agency situation. If it is the agent's own listing, the sellers must be notified immediately of the dual agency and of the nature of the agent's relationship with the buyers. If it is listed with another agent in our brokerage, that agent shall be notified of these facts before showing.
6) If the buyers want to make an offer on the agent's own listing, Section III on the Agency Disclosure Statement must be completed and signed by both buyers and sellers. If two agents are involved they are both dual agents and Section II on the Agency Disclosure Statement must be completed and signed. The personal, family or business nature of the relationship with the buyers shall be disclosed on the form.
7) Any agent acting as a dual agent must remain neutral, objective, unbiased and must maintain the confidential information of both the buyers and sellers.
8) If an agent has a personal, family or business relationship with another agent involved in a transaction, that fact must be disclosed to the parties. This disclosure must be made prior to entering into a contract. *(Here brokers may want to indicate that agents are required to notify them that such a situation exists so the broker can determine if any policy change is necessary.)*

SECTION E: AGENTS BUYING OR SELLING THEIR OWN PROPERTY

(Note: License law does not require licensees to list or buy property through their brokerage, but this requirement can be imposed by the brokerage. This must be addressed in the policy. Below is sample language if it is to be handled through the brokerage.)

1) An agent selling his own property must list it with Howard & Associates Real Estate. His ownership interest must be disclosed to the buyer or his agent in writing prior to entering into a purchase contract.
2) An agent buying property must also handle these transactions through the brokerage.
3) If the property the agent wishes to purchase is listed with another brokerage, that agent shall act as a buyer's agent representing himself. The listing brokerage must be notified at first contact of the fact the licensee is acting for himself and confirmed in any subsequent purchase contract.

4) If the property the agent desires to purchase is listed with him or with another agent in the brokerage, the circumstances must be disclosed to the listing agent or seller immediately and the seller must consent to the agent (s) acting as dual agents. The Agency Disclosure Statement must indicate as a "material relationship" that the buyer is an agent affiliated with Howard & Associates Real Estate and must be given to the seller before any offer to purchase is presented to the seller.
5) If the property is not listed (a FSBO), the agent shall represent himself as a buyer's agent. The agent shall disclose at first contact his status as a licensed real estate agent, his intention to purchase for himself and any intention to seek compensation from the seller. The agent shall not list the property as this would result in dual agency. It shall be noted that the buyer is a licensed agent on any subsequent purchase contract that is entered into.

SECTION F: DUAL AGENCY

1) Howard & Associates Real Estate and its agents shall only act as a dual agent in those situations described in Sections D and E.
2) When this occurs, all agents involved are considered dual agents and therefore must all maintain confidential information of both parties.
3) Agents acting as a dual agent in this situation shall disclose to the parties all relevant information necessary for them to make an informed decision about whether to consent to the dual agency. This would include, but not be limited to, the nature of the personal, business or family relationship the agent (s) have with a party to the transaction. This must be done on the Agency Disclosure Statement. If this information later changes, this change must be provided in writing to the parties as soon as possible and they must be given an opportunity to revoke their consent to the dual agency.
4) In the event a party refuses to consent to the dual agency, or seeks to terminate any agency relationship as a result of the proposed dual agency, Howard & Associates Real Estate shall be notified immediately. If the client's consent cannot be obtained, Howard & Associates Real Estate and its agents shall not act as dual agents. Depending on the circumstances, Howard & Associates Real Estate shall determine which agency relationship shall be terminated.

SECTION G: CHANGING AGENCY RELATIONSHIPS

1) As discussed in Section A, all agents shall represent the seller, unless approved by Howard & Associates Real Estate.
2) Agents shall not change agency relationships once they have been established, unless approved by Howard & Associates Real Estate. If such a change is approved, the client whose agency relationship is being terminated must consent in writing and any persons who know of the previous relationship must be notified in writing as well. (*NOTE: Brokers may want to indicate here if there is a specific form they want agents to use in this situation.)*

SECTION H: CONFIDENTIAL INFORMATION

1) Since all licensees in Howard & Associates Real Estate represent the seller, all information can be shared within the office, including confidential information. All licensees must keep such information confidential.
2) For this reason, it is not necessary to establish procedures to protect confidential information within the office.
3) Agents, of course, must recognize their obligation not to disclose such information to buyers or to licensees affiliated with other brokerages.

SECTION I: POLICY ON COORERATION AND COMPENSATION

1) It is the policy of Howard & Associates Real Estate to cooperate with all other brokerages on an equal and consistent basis. This means Howard & Associates Real Estate and its agents will make its listings available to other brokerages to show, provide information that is not confidential, and present all offers written by other brokerages in a timely and objective manner. (*NOTE: If a broker does not offer such cooperation to all brokerages on an equal and consistent basis, the brokerage must indicate that fact.)*
2) Unless the seller does not authorize it, Howard & Associates Real Estate will offer compensation to the following other brokerages: (*Here, the broker must indicated whether they will offer compensation to subagents only, to buyer brokers only, to both or neither. The broker should also indicate what compensation the brokerage will offer)*
3) Unless approved by Howard & Associates Real Estate, only subagency compensation shall be accepted from another brokerage.
4) Howard & Associates Real Estate does reserve the right, in some instances, to vary the compensation it offers to other brokerages, whether as subagency or buyer agency compensation. Therefore, the compensation it offers cooperating brokers may not always be equal or consistent.

The following two sections are not required to be included in your brokerage company policy but may be helpful to your agents to understand the procedures you want them to follow and to assure compliance with license law requirements.

SECTION J: GENERAL LISTING PROCEDURES

1) When securing a listing, inform the seller of our policy to only represent the seller. Use the "Consumer Guide to Agency Relationships" to explain how other brokerages may function. Explain to the seller that we do not represent buyers and instead will only act as his agent. Show the seller the language in the listing agreement that states that all licensees in our brokerage are appointed to represent him.
2) Explain the two instances where you and the brokerage would be a dual agent. These would include where you or another agent in our brokerage have personal, family or business relationship with the buyer, or if you or another agent in our brokerage buys his listing.
3) Have the seller sign and date acknowledging receipt of the "Consumer Guide to Agency Relationships"
4) The agent shall have the seller check on the listing agreement whether he authorizes Howard & Associates Real Estate to offer subagency and/or compensation to buyer brokerages. Have the seller sign and date the listing agreement.
5) Unless exempt, on property built before 1978, have the seller complete the lead-based paint disclosure and acknowledgement form, sign and date it.
6) Unless exempt, on residential property, have the seller complete the residential property disclosure form, sign and date it.

SECTION K: GENERAL PROCEDURES WHEN WORKING WITH BUYERS

1) Unless you have a family, business or personal relationship with the buyer and are authorized to act as a buyer's agent, explain our company policy of always representing the seller. Review the services you can provide to the buyer as a customer.
2) The buyer must be provided with the "Consumer Guide To Agency Relationships" before the earliest of the following events:
    a. Showing the buyer property;
    b. Pre-qualifying the buyer;
    c. Asking the buyer for specific information about his financial ability to purchase property;
    d. Discussing an offer; or
    e. Submitting an offer.
3) Have the buyer sign and date acknowledging receipt of the "Consumer Guide to Agency Relationships."
4) On any properties you show the buyer, provide the buyer with a copy of the residential property disclosure form, the lead-based paint disclosure and acknowledgement form, and the EPA lead paint pamphlet if these are required on the property. Have the buyer sign these forms before signing the offer.
5) Have the buyer sign the Agency Disclosure Statement prior to signing the offer and deliver this form along with the offer.

HOWARD & Associates
Real Estate
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Dedicated to the Quality of Service You Have Come to Expect

Our firm is totally committed to anti-discrimination in any form. We fully comply with the following policies:

EQUAL HOUSING OPPORTUNITY

Fair Housing: It is illegal, pursuant to the fair housing law, Division (H) of Section 4112.02 of the revised code and the federal housing law, 42 U.S.C.A 3601, to refuse to sell, transfer, assign, rent, 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, religion, sex, familial status, military status, ancestry, handicap, 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.

Anti-Discrimination Policy: Realtors® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. Realtors® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity.

Realtors®, in their real estate employment practices, shall not discriminate against any person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity.