

~~OCURS FIRST, TO A PROSPECTIVE BUYER OR LESSEE, A LICENSEE UNDER THIS TITLE WHO REPRESENTS THE SELLER OR LESSOR OF THE REAL PROPERTY SHALL DISCLOSE TO THE PROSPECTIVE BUYER OR LESSEE THAT THE LICENSEE REPRESENTS THE SELLER OR LESSOR.~~

~~(B) (1) THE DISCLOSURE STATEMENT REQUIRED IN SUBSECTION (A) OF THIS SECTION SHALL BE IN WRITING AND SHALL BE ACKNOWLEDGED IN WRITING BY THE PROSPECTIVE BUYER OR LESSEE.~~

~~(2) THE DISCLOSURE STATEMENT SHALL INDICATE THAT:~~

~~(i) THE LICENSEE HAS A FIDUCIARY DUTY TO REPRESENT THE BEST INTERESTS OF THE SELLER OR LESSOR, AND~~

~~(ii) THE LICENSEE WILL RECEIVE FROM THE SELLER OR LESSOR A COMMISSION THAT IS DIRECTLY PROPORTIONAL TO THE PRICE PAID BY A BUYER OR LESSEE AND AT WHAT PERCENTAGE THE COMMISSION IS EARNED.~~

(A) (1) A LICENSED BROKER OR SALES PERSON SHALL DISCLOSE IN WRITING THAT THE LICENSEE REPRESENTS THE SELLER OR LESSOR, WHETHER OR NOT THE LICENSEE IS THE LISTING AGENT OR BROKER FOR THE PROPERTY.

(2) THE DISCLOSURE SHALL OCCUR DURING THE INITIAL CONTACT WITH THE BUYER OR LESSEE OR WITHIN A REASONABLE TIME AFTER THE INITIAL CONTACT.

(2) THE DISCLOSURE SHALL OCCUR WITHIN A REASONABLE TIME AFTER THE INITIAL FACE-TO-FACE CONTACT WITH THE BUYER OR LESSEE, BUT SHALL BE PRIOR TO THE SIGNING OF THE INITIAL CONTRACT.

(B) THE PROVISIONS OF THIS SECTION APPLY ONLY TO RESIDENTIAL REAL ESTATE TRANSACTIONS OF 1, 2, 3, OR 4 SINGLE-FAMILY UNITS.

(C) THIS SECTION DOES NOT APPLY IF A LICENSED BROKER HAS ENTERED INTO A WRITTEN AGREEMENT FOR CONSIDERATION TO REPRESENT A PROSPECTIVE BUYER OR LESSEE IN THE ACQUISITION OF REAL PROPERTY FOR SALE OR FOR LEASE.

(D) THE COMMISSION MAY ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1989.

Approved May 25, 1989.