

HOGAN REAL ESTATE SERVICES

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

INFORMATION ABOUT BROKERAGE SERVICES

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer) you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as subagent represents the owner in a cooperation with the listing broker. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interest of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the

transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Owner or Landlord

Date

Buyer or Tenant

Date

Texas Real Estate Brokers and Salesmen are licensed and regulated by the Texas Real Estate Commission (TREC).
If you have any questions or complaints regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or (512) 465-3960.

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Phone (210) 682-1500 Fax (210) 682-4015

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Real Estate Brokers and salesman are required by law to make properties available without regard to race, color, religion, national origin, sex, disability or familial status.

Prior to entering into a contract, a buyer may find it useful to prequalify for a mortgage loan. Loan programs, fees, interest rates and requirements vary among lenders.

Brokerage fees are negotiable and are not fixed or controlled.

In many transactions, including most residential sales, a seller will deliver a Seller's Disclosure Notice to a buyer on or before the effective date of a contract to purchase the property. The notice provides important information about the seller's knowledge of the property condition.

Buyers, sellers, landlords, or tenants are encouraged to have a property inspected by licensed inspector's or lawfully authorized persons to determine: (as) the condition of the property (structural, mechanical, and electrical items); (b) any environmental conditions; (c) feasibility of use; (d) compliance with laws or regulations; (e) presence of termites or wood-destroying insects; and (f) any other matters. Brokers are not qualified to perform such inspections.

Residential service contracts are available to buyers and sellers of residential property. In a residential service contract, a residential service company agrees to, subject to the terms of the contract, repair the appliances, electrical, plumbing, heating, cooling or other systems in the property.

Buyers are advised to obtain a policy of title insurance or have an abstract of title reviewed by an attorney of buyers choice before purchasing a property.

Buyers, sellers, landlords, or tenants are advised to seek the advice of an attorney of their own selection before entering into a binding agreement.

**PLEASE READ THIS INFORMATION CAREFULLY
AND RETAIN THIS DOCUMENT FOR YOUR RECORDS.**

*Texas law requires all real estate licensees to give the information
on the reverse side of this form to prospective buyers, tenants, sellers and landlords*