



## **Consumer Information Statement (CIS) for Consumers Seeking to Purchase, Sell, or lease Commercial or Investment property**

**Please read and complete this CIS by checking off the appropriate box on page 2 and signing it before you list your property for sale/rent or go with a salesperson to look at property to buy/lease.**

This Consumer Information Statement is being provided to explain the role of Real Estate Agents in a commercial or investment real estate transaction.

For more detailed information, see the law posted on the web site of the Delaware Real Estate Commission at [www.dpr.delaware.gov](http://www.dpr.delaware.gov).

### **Customer first, then Client**

You are a customer when you first contact a broker or salesperson. Upon completing this CIS by choosing the Agency relationship, you then become a Client, and the Agent can start working for you.

### **Agency Law**

Under Delaware law, an Agent is an independent contractor for you as the (Seller(s)/Landlord or Buyer(s)/Tenant) This brochure is a summary of Delaware agency law. This applies unless you have specifically hired the agent as a common law agent as explained below.

### **Confidentiality**

You are protected by the Agent's duty of confidentiality from the moment of your first contact with the Salesperson or Broker.

The following information shall not be disclosed by an Agent without the informed consent of the affected party:

1. The buyer/tenant is willing to pay more for the property than what has been offered.
2. The seller/landlord is willing to accept less than the asking price.
3. The seller/landlord or buyer/tenant will agree to terms other than those offered.
4. Personal motivations for any party to a transaction if requested to be kept confidential.
5. Confidential information unless disclosure is required by law or unless failure to disclose would be fraud or intentional misrepresentation.
6. Facts or suspicions regarding circumstances which may psychologically impact or stigmatize a property under section 2930 of Title 24 Delaware law unless disclosed under §2930.
7. Facts or suspicions that someone is a registered sex offender under Delaware law, but this information is available on the Delaware State Police internet site. <http://www.state.de.us/dsp/sexoff/index.htm>

### **IMPORTANT INFORMATION:**

1. The client and his or her broker and designated agent are not responsible for the wrongful actions of the other unless they had actual knowledge of the wrongful act, error, omission or misrepresentation; however, the person who was wrong is still responsible.
2. Notice given to a designated agent is considered notice to that designated agent's client. **Notice given to anyone else in the licensee's office is not considered notice to that client.**
3. Put it in writing! Statements and negotiations by a party are not binding until they are in writing and signed by the party.

**Common Law Agent** The parties may choose to create a common law agency relationship by a separate brokerage agreement. You are cautioned that hiring a common law agent would require other detailed disclosures of conflict of interests and could involve significant potential legal liability and financial risk for the consumer. **(warning required by Delaware law)**

**Brokers and salespersons MUST:**

1. Comply with all applicable law, including performing the duties required of him or her by the statute and rules and regulations of the Delaware Real Estate Commission.
2. Follow all other applicable laws, including laws governing fair housing and civil rights.
3. Perform as required by the terms of any written brokerage agreement, if one exists.
4. Exercise reasonable skill and care as a broker or salesperson.
5. Advise you to obtain expert advice on material matters outside his or her expertise.
6. Account to you in a timely manner for all money and property received.
7. Help to inform the parties regarding the progress of the transaction.
8. Disclose adverse material facts or defects actually known by the broker or salesperson.
9. Put any compensation agreement in writing.

**Brokers and Salespersons MAY:**

1. List similar properties for sale/lease.
2. Show clients properties not owned by their other clients.
3. Show the same property one client is interested in to one or more other clients.
4. Provide information generally available to licensees, such as recent sales activity.
5. Give advice and opinions throughout the real estate transaction.
6. Help you prepare offers and counteroffers and present them in a timely manner so long as the forms used advise the parties that they may seek legal advice prior to signing.
7. Develop negotiating strategies or options for how to proceed with a transaction.
8. Perform ministerial tasks.
9. Cooperate with other brokers or salespersons.
10. Provide clients with relevant information and advice when requested.
11. Transmit financial information provided to them. Although they do not independently verify the accuracy or completeness of this information, they **MAY NOT** transmit financial information they know is false.

1) Client(s) or Customer(s) \_\_\_\_\_

2) Licensee \_\_\_\_\_

3) Brokerage Office name and registered phone #: \_\_\_\_\_

By checking off the appropriate box and signing, I (Seller/Landlord or Buyer/Tenant) acknowledge that I have been given an opportunity to read this CIS and choose the following relationship.

- Designated Seller's/Landlord's agent or Seller's/Landlord's subagent **only**.
- Designated Seller's/Landlord's Agent and Dual Agent if I am selling/leasing my property to a buyer/tenant the agent also represents.
- Designated Buyer's/Tenant's Agent only
- Designated Buyer's/Tenant's Agent and Dual Agent if I am buying/renting a property from a seller/landlord the agent also represents.
- Common law agent (see caution on page 1)
- I am electing to proceed without designating an agent. I am a customer, not a client.

If the buyer/tenant and seller/landlord are represented by different salespeople from the same Brokerage Organization, the Broker of Record and Brokerage Organization are disclosed dual agents.

I am only obligated to pay a fee if I enter into a separate written brokerage agreement (for example, a listing or buyer agency agreement) signed by me.

\_\_\_\_\_  
Date \_\_\_\_\_  
Signature of Seller/Landlord or Buyer/Tenant

\_\_\_\_\_  
Date \_\_\_\_\_  
Signature of Seller/Landlord or Buyer/Tenant

\_\_\_\_\_  
Date \_\_\_\_\_  
Signature of Broker or Licensee

Approved by DREC Effective 7/19/07