



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS

Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of agency relationship you have with that licensee.

A real estate transaction is a transaction involving the sale or lease of any legal or equitable interest in real estate consisting of not less than 1 or not more than 4 residential dwelling units or consisting of a building site for a residential unit on either a lot as defined in section 102 of the Land Division Act, 1967 PA 288, MCL 560.102, or a condominium unit as defined in section 4 of the Condominium Act, 1978 PA 59, MCL 559.104.

1. An agent providing services under any service provision agreement owes, at a minimum, the following duties to the client:
 - (a) The exercise of reasonable care and skill in representing the client and carrying out the responsibilities of the agency relationship.
 - (b) The performance of the terms of the service provision agreement.
 - (c) Loyalty to the interest of the client.
 - (d) Compliance with the laws, rules, and regulations of this state and any applicable federal statutes or regulations.
 - (e) Referral of the client to other licensed professionals for expert advice related to material matters that are not within the expertise of the licensed agent.
 - (f) An accounting in a timely manner of all money and property received by the agent in which the client has or may have an interest.
 - (g) Confidentiality of all information obtained within the course of the agency relationship, unless disclosed with the client's permission or as provided by law, including the duty not to disclose confidential information to any licensee who is not an agent of the client.

2. A real estate broker or real estate salesperson acting pursuant to a service provision agreement shall provide the following services to his or her client:

- (a) When the real estate broker or real estate salesperson is representing a seller or lessor, the marketing of the client's property in the manner agreed upon in the service provision agreement.
- (b) Acceptance of delivery and presentation of offers and counteroffers to buy, sell, or lease the client's property or the property the client seeks to purchase or lease.
- (c) Assistance in developing, communicating, negotiating, and presenting offers, counteroffers, and related documents or notices until a purchase or lease agreement is executed by all parties and all contingencies are satisfied or waived.
- (d) After execution of a purchase agreement by all parties, assistance as necessary to complete the transaction under the terms specified in the purchase agreement.
- (e) For a broker or associate broker who is involved at the closing of a real estate or business opportunity transaction furnishing, or causing to be furnished, to the buyer and seller, a complete and detailed closing statement signed by the broker or associate broker showing each party all receipts and disbursements affecting that party.

Michigan law requires real estate licensees who are acting as agents of sellers or buyers of real property to advise the potential sellers or buyers with whom they work of the nature of their agency relationship.

A seller's agent, under a listing agreement with the seller, acts solely on behalf of the seller. A seller can authorize a seller's agent to work with subagents, buyer's agents and/or transaction coordinators. A subagent is one who has agreed to work with the listing agent, and who, like the listing agent, acts solely on behalf of the seller. Seller's agents and their subagents will disclose to the seller known information about the buyer, which may be used to the benefit of the seller.

Individual services may be waived by the seller through execution of a limited service agreement. Only those services set forth in paragraph (2)(b), (c), and (d) above may be waived by the execution of a limited service agreement.

A buyer's agent, under a buyer's agency agreement with the buyer, acts solely on behalf of the buyer. A subagent of the buyer is one who has agreed to work with the buyer's agent who, like the buyer's agent, acts solely on behalf of the buyer. Buyer's agents and their subagents will disclose to the buyer known information about the seller which may be used to benefit the buyer.

(Initials) Buyer _____/_____

Individual services may be waived by the buyer through execution of a limited service agreement. Only those services set forth in paragraph (2)(b), (c), and (d) above may be waived by the execution of a limited service agreement.

A real estate licensee can be the agent of both the seller and the buyer in a transaction, but only with the knowledge and informed consent, in writing, of both the seller and the buyer.

In such a dual agency situation, the licensee will not be able to disclose all known information to either the seller or the buyer. As a dual agent, the licensee will not be able to provide the full range of fiduciary duties to the seller or the buyer.

The obligations of a dual agent are subject to any specific provisions set forth in any agreement between the dual agent, the seller and the buyer.

A buyer or seller with a designated agency agreement is represented only by agents specifically named in the agreement. Any agents of the firm not named in the agreement do not represent the buyer or seller. The named "designated" agent acts solely on behalf of his or her client and may only share confidential information about the client with the agent's supervisory broker who is also named in the agreement. Other agents in the firm have no duties to the buyer or seller and may act solely on behalf of another party in the transaction.

Only the licensee's broker and the named supervisory brokers have the same agency relationship as the licensee named below. If the other party in a transaction is represented by a salesperson licensed with Real Estate One, Inc. or any of the other Real Estate One Family of Companies, then the licensee's broker and all named supervisory brokers shall be considered disclosed consensual dual agents.

Licensee Disclosure (*Check One*)

- _____ Seller's Agent
- X Buyer's Agent (requires a signed Buyer's Agency Agreement)
- _____ Dual Agent (applicable only when both buyer and seller have signed Listing and Buyer Agency Agreements with the designated agent(s) named below and have signed a Dual Agency Agreement)
- _____ None of the Above

This form was provided to the buyer or seller before disclosure of any confidential information.

Licensee _____ Date _____

Licensee _____ Date _____

RECEIPT AND ACKNOWLEDGEMENT

By signing below, the parties acknowledge that they have received and read the information in this agency disclosure statement and acknowledge that this form was provided to them before the disclosure of any confidential information.

THIS IS NOT A CONTRACT.

Signature _____
 Buyer Date

Signature _____
 Buyer Date

Print Name _____

Print Name _____

Business Phone _____

Home Phone _____

Cell Phone _____

Email Address _____

Property Address (if any)



AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE

To: _____
Print Name(s)

From: Real Estate One, Inc.

Property Address: _____

Real Estate One, Inc. can arrange to provide financing, title insurance, property insurance and closing services through its affiliates, John Adams Mortgage Company, Front Street Mortgage, Ann Arbor Mortgage, Capital Title Insurance Agency, Inc. and Insurance One Agency, Inc. Real Estate One, Inc. makes this disclosure to give you notice that it has business relationships with these companies. The owner of 100% of issued Class A shares and 46% of issued Class B shares of Real Estate One, Inc. is the beneficial owner of Insurance One Agency, Inc., John Adams Mortgage Company, Front Street Mortgage and Ann Arbor Mortgage of which Capital Title Insurance Agency, Inc. is a whole-owned subsidiary. Because of these relationships, these referrals may provide Real Estate One, Inc. a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. While we recommend obtaining these services from John Adams Mortgage Company, Front Street Mortgage, Ann Arbor Mortgage, Capital Title Insurance Agency, Inc. and Insurance One Agency, Inc., you are NOT required to use the listed providers as a condition for settlement of your purchase or sale of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

John Adams Mortgage Company - Front Street Mortgage - Ann Arbor Mortgage

Loan Origination	0% - 5% of loan
Loan Discount Fee	0% - 5% of loan
Underwriting Fee	\$0 - \$500
Appraisal Fee	\$275 - \$695
Credit Report	\$15 - \$75
Private Mortgage Insurance	
Initial Premium (if required)	0% - 3.3% of loan
Survey	\$95 - \$250
Flood Certification	\$13
Condominium Questionnaire	\$295

Charges may vary depending on whether the property is owner occupied, the loan is VA, FHA or conventional and the amount of the down payment.

(Initials) Buyer _____ / _____

Insurance One Agency, Inc.

Homeowners/Hazard Insurance rates vary. Discounts may be available for homes equipped with fire or burglary protection devices and for homeowners age 55 and over. Coverage may include guaranteed replacement coverage on home and replacement cost on contents. In addition to a premium, fees between \$25 and \$250 may be charged for a property insurance policy issued by certain carriers.

Capital Title Insurance Agency, Inc.

Title Insurance Premium	Sliding scale depending on purchase price and type of policy. Consult Rate Chart at Capital Title Insurance Agency, Inc.
Title Search	\$275 - \$350
Recording Fees (Register of Deeds)	\$14 plus \$3 per page Wayne Co. \$30 All Other Counties.
Buyer's Closing Fee For Conventional/FHA/VA	\$575; \$550 Washtenaw/Livingston Counties; \$400 Northern Michigan
Wiring Transfer Fee	\$25; \$35 Northern Michigan
Overnight Courier Handling Fee	\$25
Certified Funds Fee	\$25

ACKNOWLEDGEMENT

I/we have read this Affiliated Business Arrangement Disclosure, and understand that Real Estate One, Inc. is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Buyer

Date

Buyer

Date



IMPORTANT INFORMATION FOR BUYER AND SELLERS REGARDING NEW REGULATIONS EFFECTING REAL ESTATE TRANSACTIONS

As a result of new mortgage regulations (Dodd-Frank Act and TILA/RESPA Integrated Disclosure rule known as TRID), lenders are required to provide additional disclosures and correspondences to homebuyers that, in many cases, will cause the closing dates to be extended to accommodate the extra time involved to comply with the law. The potential delays may occur in a number of key areas in the loan approval and closing process.

Most lenders are recommending allowing additional time for loan approvals and to process the loan for closing.

- Lenders recommend allowing 40-45 days from the time the borrower accepts the lender's loan offering to the date of loan approval.
- Lenders recommend allowing 10 days from the date of final loan approval to the closing date.
- In many cases the appraisal will be ordered later in the mortgage process, potentially requiring some extra time for loan approvals.
- Last minute changes to the Buyer's Closing Disclosure will require a one to five day delay of the closing, depending on the change.
- Buyers must receive their final Closing Disclosures three days before the closing date, which may cause closing date extensions.
- Arranging to close on your old home and your new home on the same day will be difficult; at least a three day cushion is recommended.
- Buyers moving in the same day of closing will be more difficult as a result of the potential closing delays. It is best to plan for possession at least 5-10 days after the projected closing date.
- Lenders indicate there will be no exceptions to new TRID requirements and sellers and buyer-borrowers should govern themselves accordingly.

10/40/10: Many lenders recommend that Buyers submit purchase agreements using a 10/40/10 theme: 10 days to make mortgage application and have the home inspection completed, 40 days for loan approval and 10 days to close after the Buyer receives approval.



CUSTOMER FRAUD WARNING AND ACKNOWLEDGEMENT

As a result of numerous e-mail, text and social media message scams, funds that are to be wired have been targeted, and in some cases, stolen. These scams involve authentic-looking, yet false, wire instructions appearing to be from title, mortgage or real estate companies. If these false wire instructions are followed, the funds divert to the criminals.

While Real Estate One has policies and procedures in place to minimize such fraud, unauthorized parties can, unfortunately bypass even the best security systems. Real Estate One will never send you any unencrypted electronic communication with instructions to transfer funds or provide non-public personal information.

Please follow these instructions for your security:

1. Never transmit non-public personal information, such as social security numbers, bank account or routing numbers, credit or debit card numbers or wire instructions by electronic communication. If you are sending wire instructions as a seller, verify that the correct instructions were received by a known representative of the intended recipient. **E-MAILS THAT ATTEMPT TO INDUCE FRAUDULENT WIRE TRANSFERS ARE COMMON AND MAY APPEAR TO COME FROM A TRUSTED SOURCE.**
2. Wire instructions should be sent to you via encrypted email by your title and/or mortgage company **ONLY**. If encrypted email is not available, wire instructions should be delivered by hand, telephone, USPS mail or overnight courier.
3. Before you wire funds to anyone (including your title company, lender, real estate agent or lawyer), personally call them at a number you obtained on your own to confirm that the transaction is legitimate. **DO NOT USE THE TELEPHONE NUMBER USED IN THE EMAIL.**
4. If you receive any electronic communication directing you to transfer funds or to provide personal information, **EVEN IF THAT ELECTRONIC COMMUNICATION APPEARS TO BE FROM REAL ESTATE ONE**, do not respond to it and call your sales person immediately. Be especially wary of any change in wire instructions, **wire instructions RARELY, IF EVER, change.**

Immediately notify your banking institution if you are, or suspect that you are, a victim of wire fraud.

The undersigned acknowledges receipt of this notice and will hold Real Estate One, Inc. and its salespeople, employees and affiliated companies harmless from any loss related to the undersigned's failure to adhere to the above instructions.

ACCEPTED AND AGREED:

Buyer Signature

Buyer Signature

Printed Name

Printed Name

Dated: _____

Dated: _____