



DESIGNATED AGENCY DISCLOSURE AND AGREEMENT
Hawaii Association of Realtors® Standard Form
Revised For Release



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BUYER/SELLER: _____

BUYER/SELLER: _____

REAL ESTATE FIRM: _____

PROPERTY ADDRESS (If known): _____

A-1. AGENCY RELATIONSHIPS. Hawaii Revised Statutes and the State's Administrative Rules require that agency disclosures be made in writing prior to the signing of a listing or purchase contract. The types of Broker/Client agency relationships that are available include:

- (a) Seller Agency
(b) Buyer Agency
(c) Dual Agency
(d) Designated Agency

While the first two are fairly self-evident, the latter two require additional explanation to avoid confusion.

A-2 WHAT IS DUAL AGENCY? Dual Agency arises when a Brokerage Firm represents multiple clients with competing interests. This is not uncommon when a firm has a large number of clients and is involved in a high volume of transactions.

When a dual agency situation becomes known, there is an immediate conflict of interest problem that needs to be addressed since, under Hawaii law, all of the Brokerage Firm's licensees are regarded as acting as agents for all of the parties represented by the Brokerage Firm.

A-3 HOW DOES A "DUAL AGENCY" RELATIONSHIP WORK?

If the parties agree to be represented in a Dual Agent/Client relationship, all of the Brokerage Firm's licensees then become "dual agents", simultaneously representing all parties to the transaction.

Dual Agents are required to remain neutral in all negotiations and must not advance the interests of one party over the other. While they can work with the clients to facilitate the successful completion of the transaction, there are significant limitations on the services they can actually provide.

A-4 WHAT IS "DESIGNATED AGENCY"? Designated Agency is another form of Client/Agent relationship that may be used to address the conflicts of interest that arise from Dual Agency situations.

If all of the parties agree to be represented in a Designated Agency relationship, then the Brokerage Firm may proceed to "designate" one or more of the Brokerage Firm's licensees to work exclusively for each of the clients, with no agency relationship with a competing party represented by the Brokerage Firm.

A-5 SERVICES THAT A DESIGNATED AGENT CAN PROVIDE. Once designated by the Principal Broker, the licensee can offer a full array of services, including but not limited to:

- 1. Provide information about comparable properties and assist the client in making informed decisions as to what price to offer or accept.
2. Suggest strategies to obtain the client's desired results in negotiations.
3. Disclose all material facts known to the Brokerage Firm and or its licensees about the property.
4. Make recommendations as to obtaining the services of experts (legal, surveys, inspections, etc.) and advise on how to react when the resulting reports are received.
5. Explain real estate forms, terms and procedures.
6. Prepare contracts and associated documents.
7. Assist the client in comparing financial alternatives.
8. Explain closing costs and procedures.

BUYER'S INITIALS & DATE

SELLER'S INITIALS & DATE

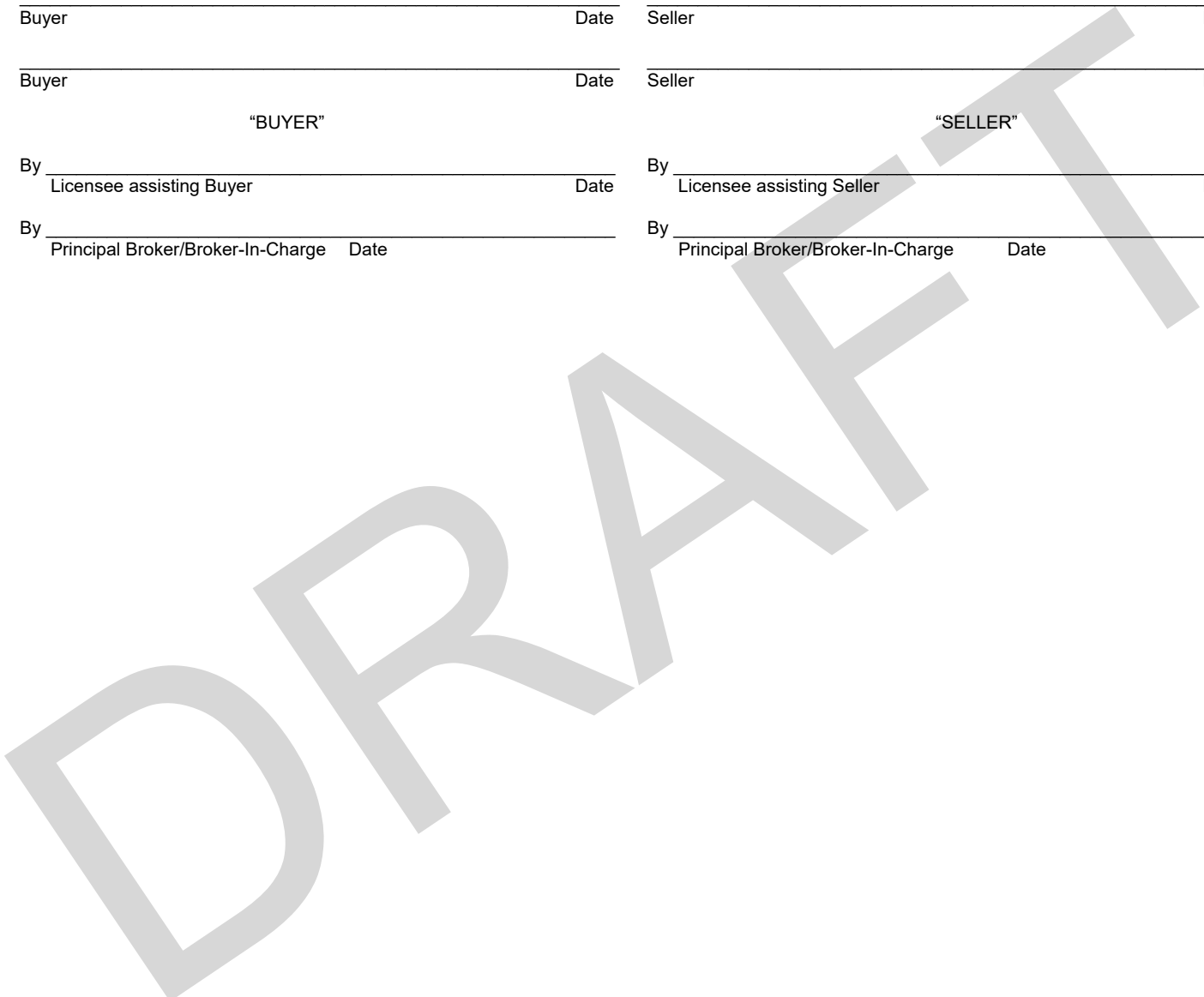


A-6 AGREEMENT TO BE REPRESENTED IN A "DESIGNATED AGENCY" RELATIONSHIP.

By signing below all signatories acknowledge that they have read this document and understand the agency relationships described herein. The parties understand and acknowledge the Designated Agency representation of the parties by the Brokerage Firm and consent to the Brokerage Firm designating one or more of the Brokerage Firm's licensees to work exclusively for them. All parties are giving their written consent and agree to such representation provided above. (Note: All clients with potential conflicts may not be known at the time of signing due to the large number of clients being served. Accordingly, the signature block below may be noted with "UNKNOWN")

NOTICE: It is strongly recommended that the parties seek legal counsel prior to signing this Designated Agency Disclosure and Agreement.

_____ Buyer	_____ Date	_____ Seller	_____ Date
_____ Buyer	_____ Date	_____ Seller	_____ Date
"BUYER"		"SELLER"	
By _____ Licensee assisting Buyer	_____ Date	By _____ Licensee assisting Seller	_____ Date
By _____ Principal Broker/Broker-In-Charge	_____ Date	By _____ Principal Broker/Broker-In-Charge	_____ Date



NOTE: THERE IS NO WARRANTY ON PLAIN LANGUAGE. An effort has been made to put this agreement into plain language. But there is no promise that it is in plain language. In legal terms, THERE IS NO WARRANTY, EXPRESSED OR IMPLIED, THAT THIS AGREEMENT COMPLIES WITH CHAPTER 487A OF THE HAWAII REVISED STATUTES. This means that the Hawaii Association of REALTORS® is not liable to any Buyer, Seller, or other person who uses this form for any damages or penalty because of any violation of Chapter 487A. People are cautioned to see their own attorneys about Chapter 487A (and other laws that may apply).