The *NEW*
Working with Real Estate Agents (WWREA) Disclosure Form

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Learning Objectives
By the end of this presentation, you will be able to...
• identify key points of Commission rule 58A .0104(c);
• describe the reason for the Commission's decision to change the disclosure publication;
• identify key components of the new disclosure form;
• describe the future use and format of the old brochure; and
• explain how the license examination will be impacted by the document change.

• Presenters will answer some questions from Chat during their presentations.
• There will be a Q&A session at the end.
Rule 58A .0104(c) is not changing.

Disclosure publication MUST be
• provided and reviewed,
• with all prospective buyers and sellers,
• at first substantial contact; and
• a copy of the signed form must be retained for 3 years.

Why is the form changing?
• Report by Consumer Federation of America re: agency disclosure in real estate brokerage
• NC ranked in the middle

New Disclosure Form: One page, double-sided
One side for sellers - One side for buyers

Posted on the Commission's website (www.ncrec.gov) under “Publications”
Seller Side - Overview

- Applies to residential and commercial sales
- Notes and notices
- Agency options & explanations (to be checked by broker)
- Reference to Q&A brochure
- Signatures

Seller Side: Notes and Notices

IMPORTANT

This form is not a contract. Signing this disclosure only means you have received it.

- In a real estate sales transaction, it is important that you understand whether an agent represents you.
- Real estate agents are required to (1) review this form with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of the form after you sign it. This is for your own protection.
- Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into a written agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others.

Seller Side: Agency Options

Note to Agent: Check all relationship types that may apply to this seller.

__Seller’s Agency__ (Listing Agent): The agent who gave you this form and the agent’s firm must enter into a written listing agreement with you before they begin to market your property for sale. If you sign this listing agreement, the agent and the agent’s firm would also represent you. The buyer would either be represented by an agent affiliated with a different real estate firm or be unrepresented.

__Dual Agency__ (Dual Agency): A dual agency will occur if your listing firm has a buyer-client who wants to purchase your property. If the buyer is a member of the seller’s firm, and any agent with the same firm (coagents), would be permitted to represent you and the buyer in the same time. A dual agency’s liability would be divided between you and the buyer. The firm and its agents must treat you and the buyer fairly and equally and cannot help you gain an advantage.

__Designated Dual Agency__ (Designated Dual): If your listing firm has a buyer-client who wants to purchase your property, the buyer-client’s agent would represent both you and the buyer, but the firm would designate one agent to represent you and a different agent to represent the buyer. Each designated agent would be loyal only to their client.

__Buyer’s Agent Working on an Unprotected Seller’s Side By Owner, "FSBO’s"__ (FSBO): The agent who gave you this form will not be representing you and has no fiduciary to you. The agent will represent only the buyer. Do not share any confidential information with the agent.
Buyer Side - Overview

- Applies to residential and commercial sales
- Notes and notices
- Agency options & explanations (to be checked by broker)
- Reference to Q&A brochure
- Signatures

Buyer Side: Notes and Notices

**IMPORTANT**
This form is not a contract. Signing this disclosure only means you have received it.

- In a real estate sales transaction, it is important that you understand whether an agent represents you.
- Real estate agents are required to (1) review this form with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of it after you sign it. This is for your own protection.
- Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into an agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others.

Buyer Side: Agency Options

**Note to Agent:** Check all relationships that may apply to the buyer.

- **Buyer:** If you, the agent who gave you this form (and the agent's firm) would represent you as a buyer agent and be fiduciary to you. You may begin with an initial agreement, but your agent must enter into a written buyer-agency agreement with you before preparing a written offer to purchase or communicating an offer for you.
- **Dual Agent:** Dual agency will occur if you purchase a property listed by the same firm that represents you. If you agree, the real estate firm and any agreed upon with the same firm (company), would be permitted to represent you and the seller at the same time. A dual agency typically would be solidified between you and the seller but the terms and your agent’s fiduciary duty would be given an advantage over the seller.
- **Designated Dual Agent:** If you agree, the real estate firm and any agreed upon would represent you and the seller that the firm would designate one agent to represent you and a different agent to represent the seller. Each designated agent would be lead to see their clients.
- **Buyers Agent:** This form must state that the buyer agent would be representing you and that the buyer agent must put an interest to be sure that the there's a buyer negotiate.
- **Unrepresented Buyer:** If you sign the form, the agent may have you in your purchase, but will still be representing you. The agent will represent the seller. Do not share any confidential information with the seller.
The Future of the Old Brochure

• Q&A format with expanded content
• Sharing the Q&A with consumers is recommended

Expanded Q&A Content includes...

• NCREC’s commitment to Racial Equality and Fair Housing
• Broker services, obligations, and compensation
• Expiration and termination of agency agreements
• Diagrams for visual learners

New Disclosure Form...
• is available now
• must be used beginning July 1 2021
Q&A Brochure: Agency Diagrams

The License Exam
- Instructors should teach the new form as of July 1
- Any exam items with specific words such as “brochure” or “acknowledgment panel” will be revised

Q&A Session
Questions about form or rule: regulatoryaffairs@ncrec.gov
Questions about exam or instruction: educ@ncrec.gov