

HB

29

ALASKA STATE LEGISLATURE
House of Representatives

COMMITTEE ASSIGNMENTS:

RULES COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON OIL & GAS, MEMBER
LEGISLATIVE ETHICS COMMITTEE, MEMBER

website: <http://www.akrepublicans.org/rokoberg/>



INTERIM:
716 WEST 4TH AVENUE, SUITE 300
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

Memorandum

To: Senator Ralph Seekins, Chair
Senate Judiciary Committee

From: Representative Norman Rokeberg

A handwritten signature in black ink, appearing to read "Norman Rokeberg".

Date: April 15, 2004

Re: CSSSHB 29 (JUD) am

This is a request for a Senate Judiciary Hearing next week for CSSSHB 29 (JUD) am. This is pending a referral from Senate Labor & Commerce. I will submit an updated bill packet with all of the requisite information when the bill has been referred.

If you have any questions, please contact my office.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Alaska State Legislature

THE HONORABLE SENATORS OF
SENATE JUDICIARY

Please enter into the record my testimony to the _____
committee name

committee on HB 29, dated 4/28/04
bill/subject

I HAVE GRAVE CONCERNS ON THE ULTIMATE HARM HB 29
WILL DO TO THE ALASKAN HOME BUYING & HOME SELLING PUBLIC.

1. The state of Alaska requires only 20 hours of education and the passing of a test to be licensed to write a contract, negotiate, etc. for the largest purchase or sale that usually anyone will make in their entire lives - the biggest financial decision. That in itself is a ludicrous amount of education required and already puts the public in jeopardy of responsibilities required by the Common Law of Agency.
2. Then, HB 29 abrogates the Common Law of Agency with the excuse that Agency is confusing (timing, of course, was just after Mehner practiced undisclosed dual agency and received a \$200k fine - before punitive damages. Prior to that agency was understood and there was no problem, but right after that decision, agency became very confusing to both the agents and the public. That is what the proponents of this bill would like you to believe). So, fiduciary duties created by the common law of agency are abrogated - ie diligence, confidentiality, obedience, loyalty, etc.
3. Then, HB 29 creates that buzzword Designated Agency - same as dual agency - just undisclosed. Oh, and if you didn't like that one, HB 29 also creates a neutral facilitator position.
4. Further, HB 29 limits the liability against brokerages and agents to actual damages (almost impossible to prove) and reduces recourse thru the legal system for the consumers.

A BILL THAT ABROGATES COMMON LAW OF AGENCY (REDUCING
CONFIDENTIALITY, ACCOUNTABILITY, DILIGENCE, ETC, COUPLED
WITH CONTINUED "UNDISCLOSED DUAL DESIGNATED

Signed: _____
 Testifier AGENCY & LIMITATION OF LIABILITY FOR AGENTS
 _____ - LINDA S. GARRISON IS BAD FOR
 Representing (Optional) SELF THE CONSUMER,
 Address P.O. Box 190727 Anchorage, AK
 Phone No. (907)-272-8937 THANK-YOU.

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS:

RULES COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON OIL & GAS, MEMBER
LEGISLATIVE ETHICS COMMITTEE, MEMBER

website: <http://www.akrepUBLICans.org/rokeberg/>



INTERIM:
716 WEST 4TH AVENUE, SUITE 300
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

Real Property Transactions/Licensees
Sponsor Statement for SCS CSSSHB 29 (L&C)
Last Updated: April 28, 2004

"An Act relating to real estate licenses and real estate transactions; and providing for an effective date."

Alaskan consumers and our state's real estate industry have not been well served by the current agency provision of the real estate statute. Practical application of this statute is unworkable. SCS CSSSHB (L&C) has been proposed to address the problems created for the real estate licensees by the current statute and to provide consumers with protection and written information about the duties and obligations of a real estate licensee.

Working with an Agency Task Force, formed by the real estate industry, I have developed suggested changes to the statutes that would give real estate licensees some guidelines and standards for operating procedures. SCS CSSSHB 29 (L&C) is the product of their hard work.

The main changes to law contained in SCS CSSSHB 29 (L&C) are:

- Replacing agency with the types of relationships a licensee may have with a buyer and/or seller.
- Allowing a licensee to work with both the buyer and seller in the same transaction as a neutral licensee. This replaces "dual agency" and sets forth the duties of a neutral licensee explicitly.
- Specifying the duties owed by a real estate licensee in all relationships, as well as the duties owed by a licensee when representing an individual.
- Clarifying what acts do not constitute a conflict of interest.
- Allowing a buyer and seller to be represented by different licensees within the same office, without creating a dual agency transaction.
- Requiring a broker to adopt a written policy identifying and describing relationships into which their licensee may enter.
- Requiring the Real Estate Commission to adopt regulations that establish:
 - Guidelines to assist brokers in adopting their written policies.
 - A written consumer information pamphlet, to be paid for by the brokers, outlining the duties of the types of licensee relationships.

This legislation informs and protects consumers and assists the commerce of our state. This bill is fully endorsed by the real estate community.

Your positive consideration of this legislation is appreciated.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSSHB 29(L&C)
 (H) Publish Date: 2/5/04

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Real Property Transactions/Licensees RDU Occupational Licensing (117)
 Component Occupational Licensing
 Sponsor Representative Rokeberg
 Requester House Labor and Commerce Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SSHB 29 makes changes to practices conducted by real estate licensees. New funds are not required to implement these changes.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division Occupational Licensing Date/Time 2/2/04 1:42 PM
 Approved by: Edgar Blatchford, Commissioner Date 2/2/2004
 Agency Department of Community & Economic Development

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 28, 2004

SUBJECT: Sectional summary of SCS CSSSHB 29(L&C)
(Work Order No. 23-LS0189\C)

TO: Representative Norman Rokeberg
Attn: Amanda

FROM: *TLB*
Theresa L. Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill, and the bill itself is the best statement of its contents.

Section 1. Provides legislative findings and intent for the bill.

Section 2. Authorizes the real estate commission to investigate and take administrative action when there is a violation of the new article proposed by this bill.

Section 3. Requires a licensee with a conflict to disclose the conflict to persons adversely affected by the conflict and their licensees and to confirm the conflict in writing to the persons or their licensees as soon as possible after identification of the conflict. Requires a licensee to advise the person verbally of the conflict and to begin any written statement of the conflict with certain words.

Section 4. Limits the application of AS 08.88.396 to acts that occur before the effective date of this new subsection.

Section 5. Removes AS 08.88.396 from the list of sections whose violation triggers a misdemeanor penalty.

Section 6. Establishes a new article relating to licensee relationships and duties.

Sec. 08.88.600. Identifies the types of relationships a licensee may have with parties to real estate transactions.

Sec. 08.88.605. Allows for a licensee to have different licensee relationships with a party in separate transactions if the licensee complies with the new article when establishing the relationships.

Sec. 08.88.610. Allows a licensee to obtain preauthorization to act as a neutral licensee. Requires a licensee to obtain written consent to act as a neutral licensee in certain circumstances before the licensee shows the real estate.

Sec. 08.88.615. Identifies the duties that a licensee owes to each person to whom the licensee provides specific assistance.

Sec. 08.88.620. Identifies the duties that a licensee owes to a person whom the licensee represents.

Sec. 08.88.625. With two exceptions, prohibits a licensee or a person to whom a licensee provides specific assistance from waiving the duties identified under secs. 08.88.615 and 08.88.620.

Sec. 08.88.630. Describes the duties that a licensee does not owe to a person.

Sec. 08.88.635. Describes certain acts that do not amount to adverse or detrimental acts by a licensee, to conflicts of interest for the licensee, or breaches of the duty of confidentiality by a licensee.

Sec. 08.88.640. Provides some guidelines for the designated licensee relationship. Limits the persons to whom the duties, obligations, and responsibilities of the relationship extend and to whom knowledge is imputed. Allows a broker to have different designated licensees working for different parties in the same transaction. Allows a designated licensee to represent or provide specific assistance to the same person in different transactions even though the person has a different interest in each transaction.

Sec. 08.88.645. Identifies the duties of a neutral licensee.

Sec. 08.88.650. States that a neutral licensee's knowledge or information about one client is not imputed to other clients or to other licensees working for the same broker.

Sec. 08.88.655. Establishes certain rules relating to the compensation received by a broker. Allows a broker to be compensated by any party to a transaction, by a third party, or by parties splitting the compensation. States that payment will not be construed as establishing a relationship. In specified circumstances requires a licensee to disclose which party is anticipated to compensate the brokers. Requires the contract to indicate who is compensating the brokers.

Sec. 08.88.660. Establishes when a licensee relationship begins and ends, the effect of termination on other contractual rights, and the licensee's duties after termination.

Sec. 08.88.665. States that a seller, buyer, lessor, or lessee is not liable for an act, error, or omission of a licensee that arises out of the licensee relationship, except in two

Representative Norman Rokeberg
April 28, 2004
Page 3

described circumstances.

Sec. 08.88.670. Establishes that, unless agreed to otherwise in writing, a seller, buyer, lessor, or lessee is not considered to know a fact known by the person's licensee unless the fact is actually known by the person. Establishes that, unless agreed to otherwise in writing, a licensee does not have knowledge or notice of a fact that is not actually known by the licensee.

Sec. 08.88.675. States that the new article abrogates the common law of agency in real estate transactions to the extent the common law is inconsistent with the new article.

Sec. 08.88.680. Prohibits a person from bringing an action against a neutral licensee for making a required or permitted disclosure. Addresses a plaintiff's remedy in a civil action against a licensee for failing to comply with the new article.

Sec. 08.88.685. Requires a broker to adopt a written policy identifying and describing the relationships the broker and the broker's licensees may engage in. Directs the real estate commission to adopt regulations relating to broker guidelines, the commission's pamphlet on licensee duties, and a broker's supervision of licensees. Requires brokers to produce and pay the production costs of the pamphlet.

Sec. 08.88.690. Establishes three exemptions from the article's signature requirements.

Sec. 08.88.695. Defines certain terms for the new article.

Section 7. Provides authority for the real estate commission to adopt regulations before the rest of the Act takes effect (because this section take effect before the rest of the Act; see bill sec. 9).

Section 8. Makes most of the bill effective January 1, 2005.

Section 9. Gives sec. 7 of this Act an immediate effective date.

If I may be of further assistance, please advise.

TLB:mdr
04-198.mdr

Alaska Stat. § 34.70.010-§34.7.200

ALASKA STATUTES
Copyright © 2004 by The State of Alaska
and Matthew Bender & Company, Inc.
a member of the LexisNexis Group.
All rights reserved.

*** CURRENT THRU ALL 2003 SESSIONS ***

** ANNOTATIONS CURRENT THRU OPINIONS DECIDED AS OF JANUARY 20, 2004 **

TITLE 34. PROPERTY
CHAPTER 70. DISCLOSURES IN RESIDENTIAL REAL PROPERTY TRANSFERS

GO TO CODE ARCHIVE DIRECTORY FOR THIS JURISDICTION

Alaska Stat. § 34.70.010 (2004)

Sec. 34.70.010. Disclosures in residential real property transfers

Before the transferee of an interest in residential real property makes a written offer, the transferor shall deliver by mail or in person a completed written disclosure statement in the form established under AS 34.70.050. Delivery to the spouse of the transferee constitutes delivery to the transferee unless the transferor and the transferee agree otherwise before the delivery.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.020 (2004)

Sec. 34.70.020. Termination of offer

If a disclosure statement or material amendment is delivered to the transferee after the transferee has made a written offer, the transferee may terminate the offer by delivering a written notice of termination to the transferor or the transferor's agent within three days after the disclosure statement or amendment is delivered in person or within six days after the disclosure statement or amendment is delivered by deposit in the mail.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.030 (2004)

Sec. 34.70.030. Liability after disclosure

A transferor is not liable for a defect or other condition in the real property or the real property interest being transferred if the transferor discloses the existence of the defect or condition in the disclosure statement.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.040 (2004)

Sec. 34.70.040. Subsequent events and approximations

(a) If information in a disclosure statement becomes inaccurate as a result of an act or agreement after the disclosure statement is delivered to the transferee, the resulting inaccuracy does not violate this chapter and the transferor is required to deliver an amendment for the disclosure statement to the transferee.

(b) If an item that is required in the disclosure statement is unknown or is unavailable to the transferor, and if the transferor or the transferor's agent has made a reasonable effort to ascertain the information, the transferor may insert an approximation of the information. The approximation must be reasonable, clearly identified as an approximation, based on the best information available to the transferor or the transferor's agent, and not used to avoid the requirements of this chapter.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.050 (2004)

Sec. 34.70.050. Form of disclosure statement

The Real Estate Commission established under AS 08.88.011 shall establish the form of the disclosure statement required by AS 34.70.010. The disclosure statement must include a provision that notifies transferees

(1) that they are responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the transferee's potential real estate transaction;

(2) where information about the location of convicted sex offenders can be obtained; and

(3) that they are responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

HISTORY: (§ 1 ch 115 SLA 1992; am § 54 ch 45 SLA 1998; am § 4 ch 28 SLA 2001)

Alaska Stat. § 34.70.060 (2004)

Sec. 34.70.060. Good faith

A person who makes a disclosure or performs an act under this chapter shall do so in good faith.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.070 (2004)

Sec. 34.70.070. Effect on other required disclosures

The requirements of this chapter do not affect other obligations for disclosure required by law.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.080 (2004)

Sec. 34.70.080. Written amendment

An amendment to a disclosure statement must be in writing.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.090 (2004)

Sec. 34.70.090. Failure to comply

(a) A transfer that is subject to this chapter is not invalidated solely because a person fails to comply with this chapter.

(b) A person who negligently violates this chapter or fails to perform a duty required by this chapter is liable to the transferee for the amount of the actual damages suffered by the transferee as a result of the violation or failure.

(c) A person who wilfully violates this chapter or fails to perform a duty required by this chapter is liable to the transferee for up to three times the actual damages suffered by the transferee as a result of the violation or failure.

(d) In addition to the damages allowed under (b) or (c) of this section, a court may also award the transferee costs and attorney fees to the extent allowed under the rules of court.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.110 (2004)

Sec. 34.70.110. Waiver by agreement

This chapter does not apply to the transfer of an interest in residential real property if the transferor and transferee agree in writing that the transfer will not be covered under this chapter.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.120 (2004)

Sec. 34.70.120. Exemption for first sales

This chapter does not apply to the transfer of an interest in residential real property if the transfer is the first transfer of the property and if the property has never been occupied.

HISTORY: (§ 1 ch 115 SLA 1992)

Alaska Stat. § 34.70.200 (2004)

Sec. 34.70.200. Definitions

In this chapter,

(1) "disclosure statement" means the disclosure statement required by AS 34.70.010;

(2) "real property" includes a unit in real property subject to AS 34.07 or AS 34.08;

(3) "residential real property" means real property whose primary purpose is to provide a single-family dwelling, or two single-family dwellings in one building;

(4) "transfer" means transfers by sale, exchange, installment land sale contract, lease with an option to purchase, other option to purchase, or a ground lease coupled with improvements.

HISTORY: (§ 1 ch 115 SLA 1992)

State of Alaska
Residential Real Property Transfer Disclosure Statement

Prepared in compliance with Alaska Statute (AS) 34.70.010 - 34.70.200

General Information

AS 34.70.010 requires that before the Transferee/Buyer (hereafter referred to as **Buyer**) of an interest in residential real property makes a written offer, the Transferor/Seller (hereafter referred to as **Seller**) must deliver a completed written disclosure form. This disclosure statement is in compliance with AS 34.70.010. It concerns the residential real property* located in the _____ Recording District, _____ Judicial District, State of Alaska.

Legal Description: _____

Property Address/City/Other: _____

* Residential real property means any single family dwelling, or two single family dwelling units under one roof, or any individual unit in a multi-unit structure or common interest ownership community whose primary purpose is to provide housing. AS 34.70.200(2) and (3).

AS 34.70.040(b) provides that if an item that must be completed in the disclosure statement is unknown or is unavailable to the Seller, and if the Seller or Seller's agent has made a reasonable effort to ascertain the information, the Seller may make an approximation based on the best information available to the Seller or Seller's agent. It must be reasonable, clearly labeled as an approximation, and not used to avoid the disclosure requirements of AS 34.70.010 - AS 34.70.200.

All disclosures made in this statement are required to be made in good faith (AS 34.70.060). The Seller is required to disclose defects or other conditions in the real property or the real property interest being transferred. To comply, disclosure need not include a search of the public records, nor does it require a professional inspection of the property.

If the information supplied in this disclosure statement becomes inaccurate as a result of an act or agreement after the disclosure statement is delivered to the Buyer, the Seller is required to deliver an amendment to the disclosure statement to the Buyer. An addendum/amendment form for that purpose may be attached to this disclosure statement.

Exemption for First Sale: Under AS 34.70.120, the first transfer of an interest in residential real property that has never been occupied is exempt from the requirement for the Seller to complete the Disclosure Statement.

Waiver by Agreement: Under AS 34.70.110, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Seller and Buyer agree in writing. Signing this waiver does not affect other obligations for disclosure.

Violation or Failure to Comply: A person who negligently violates or fails to perform a duty required by AS 34.70.010 - AS 34.70.200 is liable to the Buyer for actual damages suffered by the Buyer as a result of the violation or failure. If the person willfully violates or fails to perform a duty required by AS 34.70.010 - AS 34.70.200, the Seller is liable to the Buyer for up to three times the actual damages. In addition to the damages, a court may also award the Buyer costs and attorney fees to the extent allowed under the rules of court.

Seller's Initials _____

_____/_____/_____
Date

Property Address

Buyer's Initials

_____/_____/_____
Date

Seller's Information Regarding Property

Property Type (check one):

- Single Family Zero Lot Line/Town House Condominium Townhome/PUD
 Duplex* (Including Single Family with an Apartment) *Please complete one form for each unit.
 Other (please specify) _____

Do you currently occupy the property? Yes No. If Yes, how long? _____

If not a current occupant, have you ever occupied the property? Yes No. If so, when? _____

Year Property Built: _____. If property was built prior to 1978, or if Seller has any knowledge of lead-based paint, Seller must complete Disclosure of Information and Acknowledgment of Lead-based Paint and/or Lead-based Paint Hazards in accordance with Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (also known as Title X) and provide Buyer with the "Protect Your Family From Lead in Your Home" pamphlet. The pamphlet can be found on the Internet at <http://www.epa.gov/lead/leadprot.htm>.

Construction Overview: Wood Frame Manufactured or Modular Construction Other: _____

Foundation: Masonry Block Poured Concrete Piling Treated Wood Other: _____

Name of original builder (if known): _____

Property Features:

Check all items that are built-in and will remain with the property. **Also . . .**

Circle those checked items that have known defects or malfunctions. **Also . . .**

Describe the defect or malfunction on the Addendum/Amendment(s) To The Disclosure Statement.

- | | | |
|---|---|---|
| <input type="checkbox"/> Cooktop | <input type="checkbox"/> Jetted Tub | <input type="checkbox"/> Satellite Dish |
| <input type="checkbox"/> Oven(s) # of _____ | <input type="checkbox"/> Hot Tub <input type="checkbox"/> Cover | <input type="checkbox"/> Built-in Rods & Blinds |
| <input type="checkbox"/> Range/Oven | <input type="checkbox"/> Sauna | <input type="checkbox"/> Window Screens |
| <input type="checkbox"/> Built-in Microwave(s) # of _____ | <input type="checkbox"/> Steam Shower Room | <input type="checkbox"/> Security System |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Water Softener | <input type="checkbox"/> Smoke Detector(s) # of _____ |
| <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Water Filtering System | <input type="checkbox"/> Fire Alarms |
| <input type="checkbox"/> Garbage Disposal | <input type="checkbox"/> Greenhouse <input type="checkbox"/> Attached <input type="checkbox"/> Detached | <input type="checkbox"/> Auto Garage Door Opener(s) |
| <input type="checkbox"/> Instant Hot Water Dispenser | <input type="checkbox"/> Ventilating System | # of Opener(s) _____ |
| <input type="checkbox"/> Central Vacuum Installed | <input type="checkbox"/> Heating System | # of Remote Control(s) _____ |
| <input type="checkbox"/> Intercom | <input type="checkbox"/> Storage Shed | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Paddle Fan(s) # of _____ | <input type="checkbox"/> Barbecue | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Wood Stove(s) # of _____ | <input type="checkbox"/> T.V. Antenna | <input type="checkbox"/> Other _____ |

Comments: _____

Structural Components:

Circle only those items that have known defects, malfunctions, or have had major repairs performed within the last five years.

Also . . . Describe the defect, malfunction, or repair on the Addendum/Amendment(s) To The Disclosure Statement.

- | | | | | |
|--------------------|--|------------------------------|-------------------------|--------------------------|
| • Fences/Gates | • Rain Gutters | • Insulation | • Electrical Systems | • Electronic Air Cleaner |
| • Driveways | • Exterior Walls | • Woodstove(s)
of _____ | • Sewage Systems | • Heat Recovery |
| • Private Walkways | • Interior Walls | • Fireplace(s)
of _____ | • Water Supply | • Ventilator System |
| • Retaining Walls | • Floors | • Gas Starter | • Garage | • Swimming Pool |
| • Foundation | • Ceilings | • Chimneys | • Garage Floor Drain | • Mechanical |
| • Crawl Space | • Doors | • Plumbing Systems | • Carport | • Filtration |
| • Roof | • Windows | • Heating Systems | • Washer/Dryer Hook-ups | • Pool Cover |
| • Patio/Decking | • Skylights | | • Humidifier | • Hot Water Heater |
| • Slabs | • Venting | | • Air Conditioner | |
| | • Other items not covered above? _____ | | | |

Comments: _____

Seller's Initials _____ / _____ / _____ Date _____ Property Address _____ Buyer's Initials _____ / _____ / _____ Date _____

Documentation: Check the documents for the subject property that the seller has available for review:

- | | | |
|---|---|--|
| <input type="checkbox"/> Current Engineer/Property Inspection Report(s) completed within the last 24 months | <input type="checkbox"/> Written Agreements with Adjacent Property Owners | <input type="checkbox"/> Party Wall Agreement |
| <input type="checkbox"/> Preliminary Title Report | <input type="checkbox"/> Energy Rating Certificate | <input type="checkbox"/> Lease/Rental Agreement |
| <input type="checkbox"/> As-Built Survey | <input type="checkbox"/> Resale Certificate | <input type="checkbox"/> Soils Test |
| | <input type="checkbox"/> Water Rights Certificate | <input type="checkbox"/> Well Log and Water Tests |
| | <input type="checkbox"/> Deed Restrictions | <input type="checkbox"/> Hazardous Materials Test(s) |
| | <input type="checkbox"/> Subdivision Covenants/Restrictions | <input type="checkbox"/> Other _____ |
| | | <input type="checkbox"/> Other _____ |

Additional Information:

Supply information for the following items:

Yes No

➤ **Drainage:**

- ◆ Are you aware of ever having any water in the crawl space, basement, or lower level? Yes No
If Yes, how has the problem been resolved?
 Sump Pump(s) Curtain Drain Rain Gutter Extension Other _____
 When was problem resolved? _____
 Location of each sump pump: _____
 To where does the water drain after it leaves the sump pump? _____
 If gutters, where do downspouts discharge? _____
- ◆ Is there a floor drain in the structure, including garage? Yes No
If Yes, where is it located and where does it drain to? _____

➤ **Roof or Other Leakage:**

- Type: Asphalt/Composition Shingle Cedar Shake Built-up Metal Other _____
 Age: _____ years.
- ◆ Are you aware of any ice damming on the roof? Yes No
If Yes, provide location. _____
 - ◆ Are you aware of any water leaking into the home? i.e., windows, lights, fireplace, etc..... Yes No
If Yes, provide location. _____

➤ **Fireplace and/or Woodstove:** Date chimneys last cleaned? _____ Who cleaned? _____

➤ **Heating System(s):**

- Mark all types that apply: Hot Water Baseboard Forced Air Radiant Heat Electrical Heat
 Wood Stove Other _____
- Age: _____ years. Last Cleaned: _____ Last Inspected: _____
- Source: Natural Gas Electric Propane Tank Wood Coal
 Oil with _____ gallon storage which is Buried Above Ground Other _____
- Age of Tank? _____ years

➤ **Hot Water Heater:**

Age: _____ years. Capacity: _____ gallons. Type: Gas Electric Other _____

➤ **Water Supply:**

Type: Public Private Community Cistern Other _____

- ◆ Have you had any problems with your water supply?..... Yes No
If Private: Well Depth: _____ feet. Flow Rate: _____ gallons per minute.
- ◆ Has the water supply been tested in the past 12 months? Yes No
If Yes, attach all documentation from all tests.
- ◆ Has the well failed while you have owned the property? Yes No
- ◆ Have you ever had a well pump problem or failure?..... Yes No
- ◆ Do you supply water to, or receive water from others?..... Yes No
If Yes, is there a recorded agreement?..... Yes No
- ◆ Do you have a water rights certificate for this property?..... Yes No

Seller's Initials _____ Date _____ Property Address _____ Buyer's Initials _____ Date _____

Additional Information (Continued):

➤ **Sewerage System:**

Yes **No**

Type: Public Private Community Other _____

• Does your sewerage system have a lift station?.....

If Private: Septic Tank Holding Tank Other: _____

Drainfield System: Bed Trench Mound Pit Crib Other _____

Innovative Sewerage System: Intermittent Sand Filter Biocycle Recirculating Upflow Filter
 Secondary sewage treatment plant Other _____

Location of sewerage system: _____

• Has the sewerage system failed while you owned the property?.....
 If Yes, explain: _____

• Have you had any work maintenance or inspections done on the sewerage system during your ownership?.....
 If Yes, explain: _____

Approval Source (and date if known): _____

• Are you aware of any abandoned sewage systems, leachfields, cribs, etc. on the property?.....

➤ **Freeze-ups:**

• Have you had any frozen water lines, sewer lines, drains, or heating systems?.....

➤ **Average Annual Utility Costs:**

Gas	\$ _____	Company/Source: _____
Electric	\$ _____	Company/Source: _____
Oil	\$ _____ /Gallons: _____	Company/Source: _____
Propane	\$ _____	Company/Source: _____
Wood	\$ _____	Company/Source: _____
Coal	\$ _____	Company/Source: _____
Water	\$ _____	Company/Source: _____
Sewer	\$ _____	Company/Source: _____
Refuse	\$ _____	Company/Source: _____
Other	\$ _____ \$ _____	Company/Source: _____

To the best of your knowledge, are you aware of any of the following conditions with respect to the subject property? If answer is "Yes," indicate the relevant item number and explain the condition on the Addendum/Amendment(s) To The Disclosure Statement.

➤ **Title:**

Yes **No**

1. Do you know of any existing, pending, or potential legal action(s) concerning the property?
2. Do you know of any street or utility improvements planned that will affect the property?.....
3. Road maintenance provided by? _____
4. Is the property currently rented or leased?
 If Yes, expiration date: _____/_____/_____
5. Is there a homeowner's association (HOA) for the property?
 If Yes, HOA name: _____ HOA Telephone: _____
 Mandatory Voluntary Inactive Dues Amount: \$ _____

➤ **Setbacks/Restrictions:**

6. Have you been notified of any proposed zoning changes for the property?.....
7. Are you aware of features of the property shared in common with adjoining property owners, such as walls, fences, and driveways, whose use or responsibility for maintenance may affect the property?.....
8. Are there subdivision conditions, covenants, or restrictions?
9. Are you aware of any violations of building codes, zoning, setback requirements, or subdivision covenants on this property?.....
10. Are you aware of any nonconforming uses of this property?.....
11. Are you aware of any borough, city, deed, or private restrictions on the use of the property?.....
12. Are you aware of any variances being applied for, or granted, on this property?.....
13. Are you aware of any easements on the property?

Additional Information (Continued):

➤ **Encroachments:**

Yes No

14. Does anything on your property encroach (extend) onto your neighbor's property?
15. Does anything on your neighbor's property encroach onto your property?

➤ **Environmental Concerns:**

16. Are you aware of any substances, materials, or products that may be an environmental hazard such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the subject property?
17. Are you aware of any underground storage tanks on this property? Number of tanks: _____
18. Are you aware if the property is in an avalanche zone and/or flood plain?
19. Are you aware of any damage to the property or any of the structures from flood, landslide, avalanche, high winds, fire, earthquake, or other natural causes?
20. Have you ever filed an insurance claim for any environmental damage to the property?
21. Are you aware of a waste disposal site or a gravel pit within a one-mile radius of the property?

➤ **Soil Stability:**

22. Are you aware of any grading, excavation or filling on the property or any portion of the property?
23. Are you aware of any permafrost or other soil problems which have caused settling, slippage, sliding, or heaving?
24. Are you aware of any flooding, drainage, or grading problems that affect this property?

➤ **Construction, Improvements/Remodel:**

25. Have you remodeled, made any room additions, structural modifications or improvements?
- If Yes, please describe. Was the work performed with necessary permits in compliance with building codes?
- Was a final inspection performed?
26. Has a fire ever occurred in the structure?

➤ **Pest Control or Wood Destroying Organisms:**

27. Are you aware of any termites, ants, insects, squirrels, vermin, rodents, etc. in the structure?
- a. If Yes, what type? _____
- b. If Yes, where? _____
28. Has there been damage in the past resulting from termites, ants, insects, squirrels, rodents, etc. in the structure?
- a. If Yes, when? _____
- b. If Yes, what type? _____
- c. If Yes, where? _____
- d. If Yes, describe what was done to resolve the problem: _____

➤ **Other:**

29. **Pets**
- a. Have there been any pets/animals in the house?
- b. If Yes, what kind? _____
30. **Noise**
- a. Are you aware of any noise or sound disturbances that affect the property, including but not limited to, airplanes, trains, dogs, traffic, race tracks, neighbors, etc.?
- b. If Yes, explain: _____
- _____
- _____

I/We have completed this disclosure statement according to AS 34.70.010 - AS 34.70.200 and these instructions, and the statements are made in good faith and are true and correct to the best of my/our knowledge as of the date signed. I/We authorize any agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated transfer of the property or interest in the property.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer's Notice and Receipt of Copy

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska Information Center Internet site: www.state.ak.us, under Hot Topics for the "Registry/Sex Offenders."

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

The Buyer is urged to inspect the property carefully and to have the property inspected by an expert. Buyer understands that there are aspects of the property of which the Seller may not have knowledge and that this disclosure statement does not encompass those aspects. Buyer also acknowledges that he/she has read and received a signed copy of this statement from the Seller or the Seller's agent.

Buyer: _____

Date: _____

Buyer: _____

Date: _____

Seller's Initials _____ Date _____

Property Address _____

Buyer's Initials _____ Date _____

Exemption For First Sale

Legal Description: _____

Property Address/City: _____

Under AS 34.70.120, the first transfer of an interest in residential real property that has never been occupied is exempt from the requirement for the Seller to complete the Disclosure Statement.

Buyer may wish to obtain inspections of the property and seek other professional advice.

★ ★ ★ ★ ★ ★ ★ ★

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska Information Center Internet site: www.state.ak.us, under Hot Topics for the "Registry/Sex Offenders."

★ ★ ★ ★ ★ ★ ★ ★

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

★ ★ ★ ★ ★ ★ ★ ★

I certify that this is the first transfer of an interest in the property identified above and that the property has not been occupied before this transfer of interest.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Date: _____

Seller's Initials _____ / Date _____

Property Address _____

Buyer's Initials _____ / Date _____

Waiver By Agreement

AS 34.70.110

Legal Description: _____

Property Address/City: _____

Under AS 34.70.110, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Seller and Buyer agree in writing.

Parties may wish to obtain professional advice and/or inspection of the property.

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska Information Center Internet site: www.state.ak.us, under Hot Topics for the "Registry/Sex Offenders."

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

By law, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Transferor (Seller) and the Transferee (Buyer) agree in writing. If both parties agree to waive the requirement to complete this disclosure statement, please sign below.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Date: _____

Seller's Initials

Date

Property Address

Buyer's Initials

Date

DRAFT

Your rights when dealing with a real estate licensee.

Adopted by the (date)

DRAFT

Alaska Real Estate Commission

DRAFT

The real estate industry has a significant effect on the economy of Alaska; therefore it is in the best interest of the public to put into law the relationships between real estate licensees and people who wish to use their services.

This brochure describes your legal rights in dealing with a real estate licensee. Please read it carefully before signing it or any document.

First, a definition for specific assistance:

Includes but is not limited to, a) asking questions regarding confidential information for a real estate transaction; b) showing property selected for your specific needs or desires; c) preparing a written offer; d) entering into a personal services contract.

Specific assistance does not include: a) hosting an open house; b) casual conversation regarding real estate; c) receiving calls and electronic inquires on the licensee's advertisements; d) providing information regarding a piece of real estate; e) setting an initial appointment to show a piece of property; f) receiving unsolicited information from a buyer or lessee before or after disclosure of a real estate relationship.

Duties owed to you by the licensee in all relationships:

Unless additional duties are agreed to by you and the licensee in a written, signed document, and regardless of the type of licensee relationship, a licensee owes the following duties to each person to whom the licensee provides specific assistance

- 1 The exercise of reasonable skill and care
- 2 Honest and good faith dealing
- 3 The presentation of all written offers and other written communication in a timely manner. This is regardless if the real estate is subject to an existing contract, or if the person is already a party to an existing contract
- 4 Except as provided elsewhere in the law, the disclosure of all material information known by the licensee and not apparent or readily ascertainable to you regarding the physical condition of real estate if the information substantially adversely affects the real estate or your ability to perform your obligations in the real estate transaction or if the information would materially impair or defeat the purpose of the real estate transaction. *This disclosure requirement does not require the licensee to disclose a fact or suspicion that the real estate or neighboring real estate is or was the site of a murder, suicide, or other death, rape or other sexual crime, assault or other violent crime, burglary, illegal drug activity, gang-related activity, political activity, religious activity, anticipated development, alleged supernatural activity, or another act, occurrence, or use that*

(Continued on page 2)

DRAFT

(Continued from page 1)

does not adversely affect the physical condition or title to the real estate. These disclosure requirements may not be considered to imply a duty to investigate a matter that the licensee has not agreed to investigate.

- 5 Accounting in a timely manner for all money and other property received from or on your behalf
- 6 Before the licensee provides specific assistance, they must obtain from you a signed document that discloses your relationship with that licensee
- 7 In addition to the above document, the licensee must provide you, when you sign an offer in a real estate transaction, a written statement that states who the licensee represents. That statement must be written in the contract.

Duties owed by the licensee when they are representing you:

Unless you both agree to additional duties in writing, the licensee who represents you, owes you the following duties. And they may not waive these duties to you.

- 1 Not taking action that they know is adverse or detrimental to your interest
- 2 Disclosure of a conflict of interest to you in a timely manner (Note: a conflict of interest is not showing you real estate not owned by you, or listing competing properties, the representation of more than one person by the same licensee or by different licensees working for the same broker; showing a property that you are interested in to others; acting as a neutral licensee; disclosing confidential information to the licensee's broker for the purpose of seeking advice or assistance)
- 3 Advising you to obtain expert advice on a matter that relates to the real estate transaction that is beyond their expertise
- 4 Not disclosing confidential information from or about you without your written consent, except under subpoena or another court order, even after termination of the relationship with you
- 5 If you are the seller or lessor, unless you agree in writing, making good faith and continuous efforts to find a buyer or lessee for the property, except that the licensee is not required to seek additional offers while the property is subject to an existing contract
- 6 If you are a buyer or lessee, unless you otherwise agreed to in writing, making a good faith and continuous effort to find real estate to buy or lease, except that the licensee is not obligated to seek additional property for you while you are a party to an existing contract or are they obligated to show you property for which there is not a written agreement to pay the licensee

I have read and acknowledge the above paragraph: _____ / _____

Date: _____ Time: _____

(Continued on page 3)

DRAFT

(Continued from page 2)

Duties not owed by the licensee:

Unless otherwise agreed, a real estate licensee does not owe a duty to a person with whom the licensee has establish a license relationship to:

- 1 Conduct an independent inspection of the real estate that is the subject of your relationship
- 2 Conduct and independent investigation of a person's financial condition
- 3 Independently verify the accuracy or completeness of a statement made by a party to a real estate the transaction or by a person reasonably believed by the license to be reliable

I have read and acknowledge the above paragraph: _____ / _____
Date: _____ *Time:* _____

Designated licensee relationship:

A broker may have a different designated licensee working for the seller or lessor, and for the buyer or lessee in the same real estate transaction without creating dual agency or a conflict of interest. Unless the broker is a designated licensee, the relationship established between you and designated licensee does not extend to the broker. The extent of the relationship between the designated licensee must be disclosed to you in the real estate transaction.

Duties of a neutral licensee:

Unless additional duties are agreed to in a written document signed by the neutral licensee and all parties, the duties of a neutral licensee (*when one licensee is working with both sides in the transaction*) are limited to the duties already established for a licensee and the following duties:

- 1 Not to take action that the neutral licensee knows is adverse or detrimental to the parties to the transaction or to whom the neutral licensee provides services
- 2 To disclose a conflict of interest in a timely manner
- 3 To advise all parties to obtain expert advice on a matter relating to the transaction that is beyond their expertise
- 4 Not to disclose without written consent confidential information to another party to whom the licensee is providing specific assistance (except under a subpoena or another court order, even after the relationship terminates)
- 5 Not to disclose without the consent of the person to whom the information relates, that someone is willing to pay more, or sell for less, or accept financing terms other than what is offered. A neutral licensee does not violate their duties if, with written consent, engages in the following conduct in a good faith effort to assist in reaching final agreement in a real estate transaction: a) analyzing, providing information on, or reporting on the merits of the transaction to each party;

(Continued on page 4)

(Continued from page 3)

b) discussing the price, terms, or conditions that each party would or should offer or accept; or c) suggesting compromises in the parties respective bargaining positions.]

In a neutral licensee relationship, the knowledge of information of the licensee about one client is not imputed to other clients or to other licensees who work for the same broker.

I have read and acknowledge the above paragraphs: _____ / _____
Date: _____ *Time:* _____

Compensation:

A broker may be compensated by any party to a transaction, by a third party, or by one or more of the parties to the transaction splitting or sharing the commission. Compensation does not establish a relationship between the broker and the party who pays. Licensees must inform all parties to a transaction who is paying within the real estate contract.

Duration of the relationship:

A licensee's relationship with you begins when they provide specific assistance and continues until the earliest of the following events:

- 1 They complete the specific assistance
- 2 The relationship terms that you agreed to terminates
- 3 You and the licensee terminate by mutual agreement
- 4 One party gives notice to the other party terminating the relationship

The termination does not affect other contractual rights of the parties. And, except as otherwise agreed to in writing, after termination the licensee still has the duties for accounting for all money and other property received during the relationship and not disclosing confidential information.

Vicarious liability:

You are not liable for an act, error, or omission of a licensee that arises out of the licensee relationship unless you participated or authorized the act, error or omission and then only to the extent of the participation or authorizations and, except to the extent that you benefited for the act, error, or omission, and the court determines that it is highly probable that the person claiming damages would be unable to enforce a judgment against the licensee.

Imputed knowledge and notice:

Unless otherwise you agree in writing, you are not considered to have knowledge or notice of a fact known by a licensee of the other party, and conversely unless otherwise agreed to in writing, the licensee does not have knowledge or notice of a fact

(Continued on page 5)

DRAFT

(Continued from page 4)

that is not actually known by the licensee.

Causes of action:

No one can bring an action against a neutral licensee for making a disclosure that is required or permitted by law. In a civil action for the failure of a licensee to comply with the provisions of these laws, the plaintiff's remedy is limited to the recovery of actual damages. You may still take any other action or pursue any other remedy to which you may be entitled under law.

Policies, guidelines, and requirements:

A broker must have a written policy that identifies and describes the relationships in which the broker and the licensees who work for them, practice. The broker has the policy available to the Real Estate Commission and to the public upon request.

Exemption:

When a licensee proceeds specific assistance to a governmental agency or to a corporation that issues publicly traded securities, the licensee is exempt from obtaining signatures called for within this law.

I hereby acknowledge receiving and reading this pamphlet on the type of relationships I may have with a real estate licensee (including a broker).

I understand and acknowledge that _____
(licensee) of _____ (agency) will
be working with me as a _____, until and
unless the relationship is terminated or the status changes by prior
mutual agreement.

Signature: _____

Signature: _____

Date: _____ Time: _____

THE
L·A·W
OF REAL ESTATE
AGENCY

This pamphlet describes your legal rights in dealing with a real estate broker or salesperson. Please read it carefully before signing any documents.

THE FOLLOWING IS ONLY A BRIEF SUMMARY OF THE ATTACHED LAW:

SECTION 1. DEFINITIONS. Defines the specific terms used in the law.

SECTION 2. RELATIONSHIPS BETWEEN LICENSEES AND THE PUBLIC. States that a licensee who works with a buyer or tenant represents that buyer or tenant — unless the licensee is the listing agent, a seller's sub-agent, a dual agent, the seller personally or the parties agree otherwise. Also states that in a transaction involving two different licensees affiliated with the same broker, the broker is a dual agent and each licensee solely represents his or her client — unless the parties agree in writing that both licensees are dual agents.

SECTION 3. DUTIES OF A LICENSEE GENERALLY. Prescribes the duties that are owed by all licensees, regardless of who the licensee represents. Requires disclosure of the licensee's agency relationship in a specific transaction.

SECTION 4. DUTIES OF A SELLER'S AGENT. Prescribes the additional duties of a licensee representing the seller or landlord only.

SECTION 5. DUTIES OF A BUYER'S AGENT. Prescribes the additional duties of a licensee representing the buyer or tenant only.

SECTION 6. DUTIES OF A DUAL AGENT. Prescribes the additional duties of a licensee representing both parties in the same transaction, and requires the written consent of both parties to the licensee acting as a dual agent.

SECTION 7. DURATION OF AGENCY RELATIONSHIP. Describes when an agency relationship begins and ends. Provides that the duties of accounting and confidentiality continue after the termination of an agency relationship.

SECTION 8. COMPENSATION. Allows brokers to share compensation with cooperating brokers. States that payment of compensation does not necessarily establish an agency relationship. Allows brokers to receive compensation from more than one party in a transaction with the parties' consent.

SECTION 9. VICARIOUS LIABILITY. Eliminates the common law liability of a party for the conduct of the party's agent or sub-agent, unless the agent or sub-agent is insolvent. Also limits the liability of a broker for the conduct of a sub-agent associated with a different broker.

SECTION 10. IMPUTED KNOWLEDGE AND NOTICE. Eliminates the common law rule that notice to or knowledge of an agent constitutes notice to or knowledge of the principal.

SECTION 11. INTERPRETATION. This law replaces the fiduciary duties owed by an agent to a principal under the common law, to the extent that it conflicts with the common law.

SECTION ONE

18.86.010. DEFINITIONS.

Unless the context clearly requires otherwise, the definitions in this chapter apply throughout this chapter.

"Agency relationship" means the agency relationship created under this chapter or by written agreement between a licensee and a buyer and/or seller relating to the performance of real estate brokerage services by the licensee.

(2) "Agent" means a licensee who has entered into an agency relationship with a buyer or seller.

(3) "Business opportunity" means and includes a business, business opportunity, and goodwill of an existing business, or any one or combination thereof.

(4) "Buyer" means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable.

(5) "Buyer's agent" means a licensee who has entered into an agency relationship with only the buyer in a real estate transaction, and includes sub-agents engaged by a buyer's agent.

(6) "Confidential information" means information from or concerning a principal of a licensee that:

- (a) Was acquired by the licensee during the course of an agency relationship with the principal;
- (b) The principal reasonably expects to be kept confidential;
- (c) The principal has not disclosed or authorized to be disclosed to third parties;
- (d) Would, if disclosed, operate to the detriment of the principal; and
- (e) The principal personally would not be obligated to disclose to the other party.

(7) "Dual agent" means a licensee who has entered into an agency relationship with both the buyer and seller in the same transaction.

(8) "Licensee" means a real estate broker, associate real estate broker, or real estate salesperson, as those terms are defined in Chapter 18.85 RCW.

(9) "Material fact" means information that substantially adversely affects the value of the property or a party's ability to perform its obligations in a real estate transaction, or operates to materially impair or defeat the purpose of the transaction. The fact or suspicion that the property, or any neighboring property, is or was the site of a murder, suicide or other death, rape or other sex crime, assault or other violent crime, robbery or burglary, illegal drug activity, gang-related activity, political or religious activity, or other act, occurrence, or use not adversely affecting the physical condition of or title to the property is not a material fact.

(10) "Principal" means a buyer or a seller who has entered into an agency relationship with a licensee.

(11) "Real estate brokerage services" means the rendering of services for which a real estate license is required under Chapter 18.85

"Real estate transaction" or "transaction" means an actual or prospective transaction involving a purchase, sale, option, or exchange of any interest in real property or a business opportunity, or a lease or rental of real property. For purposes of this chapter, a prospective transaction does not exist until a written offer has been signed by at least one of the parties.

(13) "Seller" means an actual or prospective seller in a real estate transaction, or an actual or prospective landlord in a real estate rental or lease transaction, as applicable.

(14) "Seller's agent" means a licensee who has entered into an agency relationship with only the seller in a real estate transaction, and includes sub-agents engaged by a seller's agent.

(15) "Sub-agent" means a licensee who is engaged to act on behalf of a principal by the principal's agent where the principal has authorized the agent in writing to appoint sub-agents. ■

SECTION TWO

18.86.020. AGENCY RELATIONSHIP.

(1) A licensee who performs real estate brokerage services for a buyer is a buyer's agent unless the:

- (a) Licensee has entered into a written agency agreement with the seller, in which case the licensee is a seller's agent;
- (b) Licensee has entered into a sub-agency agreement with the seller's agent, in which case the licensee is a seller's agent;
- (c) Licensee has entered into a written agency agreement with both parties, in which case the licensee is a dual agent;
- (d) Licensee is the seller or one of the sellers; or
- (e) Parties agree otherwise in writing after the licensee has complied with RCW 18.86.030(1)(f).

(2) In a transaction in which different licensees affiliated with the same broker represent different parties, the broker is a dual agent, and must obtain the written consent of both parties as required under RCW 18.86.060. In such a case, each licensee shall solely represent the party with whom the licensee has an agency relationship, unless all parties agree in writing that both licensees are dual agents.

(3) A licensee may work with a party in separate transactions pursuant to different relationships, including, but not limited to, representing a party in one transaction and at the same time not representing that party in a different transaction involving that party, if the licensee complies with this chapter in establishing the relationships for each transaction. ■

SECTION THREE

18.86.030. DUTIES OF A LICENSEE.

(1) Regardless of whether the licensee is an agent, a licensee owes to all parties to whom the licensee renders real estate brokerage services the following duties, which may not be waived:

- (a) To exercise reasonable skill and care;
- (b) To deal honestly and in good faith;
- (c) To present all written offers, written notices and other written communications to and from either party in a timely manner, regardless of whether the property is subject to an existing contract for sale or the buyer is already a party to an existing contract to purchase;
- (d) To disclose all existing material facts known by the licensee and not apparent or readily ascertainable to a party; provided that this subsection shall not be construed to imply any duty to investigate matters that the licensee has not agreed to investigate;
- (e) To account in a timely manner for all money and property received from or on behalf of either party;
- (f) To provide a pamphlet on the law of real estate agency in the

form prescribed in RCW 18.86.120 to all parties to whom the licensee renders real estate brokerage services, before the party signs an agency agreement with the licensee, signs an offer in a real estate transaction handled by the licensee, consents to dual agency, or waives any rights, under RCW 18.86.020(1)(e), 18.86.040(1)(e), 18.86.050(1)(e), or 18.86.060(2)(e) or (f) whichever occurs earliest; and

disclose in writing to all parties to whom the licensee renders real estate brokerage services, before the party signs an offer in a real estate transaction handled by the licensee, whether the licensee represents the buyer, the seller, both parties, or neither party. The disclosure shall be set forth in a separate paragraph entitled "Agency Disclosure" in the agreement between the buyer and seller or in a separate written document entitled "Agency Disclosure."

(2) Unless otherwise agreed, a licensee owes no duty to conduct an independent inspection of the property or to conduct an independent investigation of either party's financial condition, and owes no duty to independently verify the accuracy or completeness of any statement made by either party or by any source reasonably believed by the licensee to be reliable. ■

SECTION FOUR

18.86.040. SELLER'S AGENT — DUTIES.

(1) Unless additional duties are agreed to in writing and signed by a seller's agent, the duties of a seller's agent are limited to those set forth in RCW 18.86.030 and the following, which may not be waived except as expressly set forth in (e) of this subsection:

- (a) To be loyal to the seller by taking no action that is adverse or detrimental to the seller's interest in a transaction;
- (b) To timely disclose to the seller any conflicts of interest;
- (c) To advise the seller to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;
- (d) Not to disclose any confidential information from or about the seller, except under subpoena or court order, even after termination of the agency relationship; and
- (e) Unless otherwise agreed to in writing after the seller's agent has complied with RCW 18.86.030(1)(f), to make a good faith and continuous effort to find a buyer for the property; except that a seller's agent is not obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale.

(2)

- (a) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a seller's agent does not in and of itself breach the duty of loyalty to the seller or create a conflict of interest.
- (b) The representation of more than one seller by different licensees affiliated with the same broker in competing transactions involving the same buyer does not in and of itself breach the duty of loyalty to the sellers or create a conflict of interest. ■

SECTION FIVE

18.86.050. BUYER'S AGENT — DUTIES.

(1) Unless additional duties are agreed to in writing signed by a buyer's agent, the duties of a buyer's agent are limited to those set forth in RCW 18.86.030 and the following, which may not be waived except as expressly set forth in (e) of this subsection:

- (a) To be loyal to the buyer by taking no action that is adverse or detrimental to the buyer's interest in a transaction;
- (b) To timely disclose to the buyer any conflicts of interest;
- (c) To advise the buyer to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;
- (d) Not to disclose any confidential information from or about the buyer, except under subpoena or court order, even after termination of the agency relationship; and
- (e) Unless otherwise agreed to in writing after the buyer's agent has complied with RCW 18.86.030(1)(f) of this act, to make a good faith and continuous effort to find a property for the buyer; except that a buyer's agent is not obligated to: (i) Seek additional properties to purchase while the buyer is a party to an existing contract to purchase; or (ii) show properties as to which there is no written agreement to pay compensation to the buyer's agent.

(2)

- (a) The showing of property in which a buyer is interested to other prospective buyers by a buyer's agent does not in and of itself breach the duty of loyalty to the buyer or create a conflict of interest.
- (b) The representation of more than one buyer by different licensees affiliated with the same broker in competing transactions involving the same property does not in and of itself breach the duty of loyalty to the buyers or create a conflict of interest. ■

SECTION SIX

18.86.060. DUAL AGENT — DUTIES.

(1) Notwithstanding any other provisions of this chapter, a licensee may act as a dual agent only with the written consent of both parties to the transaction after the dual agent has complied with RCW 18.86.030 (1) (f), which consent must include a statement of the terms of compensation.

(2) Unless additional duties are agreed to in writing signed by a dual agent, the duties of a dual agent are limited to those set forth in RCW 18.86.030 and the following, which may not be waived except as expressly set forth in (e) and (f) of this subsection:

- (a) To take no action that is adverse or detrimental to either party's interest in a transaction;
- (b) To timely disclose to both parties any conflicts of interest;
- (c) To advise both parties to seek expert advice on matters relating to the transaction that are beyond the dual agent's expertise;
- (d) Not to disclose any confidential information from or about either party, except under subpoena or court order, even after termination of the agency relationship;
- (e) Unless otherwise agreed to in writing after the dual agent has complied with RCW 18.86.030 (1)(f), to make a good faith and continuous effort to find a buyer for the property; except that a dual agent is not obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale; and

(f) Unless otherwise agreed to in writing after the dual agent has complied with RCW 18.86.030 (1)(f), to make a good faith and continuous effort to find a property for the buyer; except that a dual agent is not obligated to: (i) Seek additional properties to purchase while the buyer is a party to an existing contract to purchase; or (ii) show properties as to which there is no written agreement to pay compensation to the dual agent.

- (a) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a dual agent does not in and of itself constitute action that is adverse or detrimental to the seller or create a conflict of interest.
- (b) The representation of more than one seller by different licensees affiliated with the same broker in competing transactions involving the same buyer does not in and of itself constitute action that is adverse or detrimental to the sellers or create a conflict of interest.

- (4)
- (a) The showing of property in which a buyer is interested to other prospective buyers or the presentation of additional offers to purchase property while the property is subject to a transaction by a dual agent does not in and of itself constitute action that is adverse or detrimental to the buyer or create a conflict of interest.
- (b) The representation of more than one buyer by different licensees affiliated with the same broker in competing transactions involving the same property does not in and of itself constitute action that is adverse or detrimental to the buyers or create a conflict of interest. ■

SECTION SEVEN

18.86.070. DURATION OF AGENCY RELATIONSHIP.

(1) The agency relationships set forth in this chapter commence at the time that the licensee undertakes to provide real estate brokerage services to a principal and continue until the earliest of the following:

- (a) Completion of performance by the licensee;
- (b) Expiration of the term agreed upon by the parties; or
- (c) Termination of the relationship by mutual agreement of the parties; or
- (d) Termination of the relationship by notice from either party to the other. However, such a termination does not affect the contractual rights of either party.

(2) Except as otherwise agreed to in writing, a licensee owes no further duty after termination of the agency relationship, other than the duties of:

- (a) Accounting for all moneys and property received during the relationship; and
- (b) Not disclosing confidential information. ■

SECTION EIGHT

18.86.080. COMPENSATION.

In any real estate transaction, the broker's compensation may be paid by the seller, the buyer, a third party, or by sharing the compensation between brokers.

(2) An agreement to pay or payment of compensation does not establish an agency relationship between the party who paid the compensation and the licensee.

(3) A seller may agree that a seller's agent may share with another broker the compensation paid by the seller.

(4) A buyer may agree that a buyer's agent may share with another broker the compensation paid by the buyer.

(5) A broker may be compensated by more than one party for real estate brokerage services in a real estate transaction, if those parties consent in writing at or before the time of signing an offer in the transaction.

(6) A buyer's agent or dual agent may receive compensation based on the purchase price without breaching any duty to the buyer.

(7) Nothing contained in this chapter negates the requirement that an agreement authorizing or employing a licensee to sell or purchase real estate for compensation or a commission be in writing and signed by the seller or buyer. ■

SECTION NINE

18.86.090. VICARIOUS LIABILITY.

(1) A principal is not liable for an act, error, or omission by an agent or sub-agent of the principal arising out of an agency relationship:

- (a) Unless the principal participated in or authorized the act, error, or omission; or
- (b) Except to the extent that: (i) The principal benefited from the act, error, or omission; and (ii) the court determines that it is highly probable that the claimant would be unable to enforce a judgment against the agent or sub-agent.

(2) A licensee is not liable for an act, error, or omission of a subagent under this chapter, unless the licensee participated in or authorized the act, error, or omission. This subsection does not limit the liability of a real estate broker for an act, error, or omission by an associate real estate broker or real estate salesperson licensed to that broker. ■

SECTION TEN

18.86.100. IMPUTED KNOWLEDGE AND NOTICE.

(1) Unless otherwise agreed to in writing, a principal does not have knowledge or notice of any facts known by an agent or sub-agent of the principal that are not actually known by the principal.

(2) Unless otherwise agreed to in writing, a licensee does not have knowledge or notice of any facts known by a sub-agent that are not actually known by the licensee. This subsection does not limit the knowledge imputed to a real estate broker of any facts known by an associate real estate broker or real estate salesperson licensed to such broker. ■

SECTION ELEVEN

18.86.110. APPLICATION.

This chapter supersedes only the duties of the parties under the common law, including fiduciary duties of an agent to a principal, to the extent inconsistent with this chapter. The common law continues to apply to the parties in all other respects. This chapter does not affect the duties of a licensee while engaging in the authorized or unauthorized practice of law as determined by the courts of this state. This chapter shall be construed broadly. ■



REALTOR ®

ALASKA ASSOCIATION OF REALTORS, INC.
741 Sesame Street, Suite 100 • Anchorage, Alaska 99503
Telephone 907-563-7133 • Fax 907-563-8478

February 3, 2004

The Honorable Norm Rokeberg
Alaska House of Representatives
State Capitol Building
Juneau, Alaska 99801

RE: House Bill 29, relating to real estate licensee and real estate transactions

Dear Representative Rokeberg,

The Alaska Association of REALTORS and the following member Boards;
Anchorage Board of REALTORS
Greater Fairbanks Board of REALTORS
Kachemak Board of REALTORS
Kenai Peninsula Board of REALTORS
Kodiak Board of REALTORS
Southeast Board of REALTORS
Valley Board of REALTORS

supports House Bill 29, which would update the agency statute to conform to current real estate business practices.

The Association is in favor of this proposed legislation that would standardize the disclosure form that is used by real estate licensees statewide. It would define specific duties of licensees that are not currently in the statute, giving the consumers clearer expectations and guidelines.

The Alaska Association of REALTORS encourages the passage of House Bill 29.

Sincerely,

Kathryn Clark
President





ALASKA ASSOCIATION OF REALTORS, INC.
741 Sesame Street, Suite 100 • Anchorage, Alaska 99503
Telephone 907-563-7133 • Fax 907-563-8478

February 3, 2004

The Honorable Tom Anderson
Alaska House of Representatives
State Capitol Building
Juneau, Alaska 99801

RE: House Bill 29, relating to real estate licensee and real estate transactions

Dear Representative Anderson,

The Alaska Association of REALTORS with over 1,100 members statewide supports House Bill 29, which would update the agency statute to conform to current real estate business practices.

The Association is in favor of this proposed legislation that would standardize the disclosure form that is used by real estate licensees statewide. It would define specific duties of licensees that are not currently in the statute, giving the consumers clearer expectations and guidelines.

The Alaska Association of REALTORS encourages the passage of House Bill 29.

Sincerely,

Kathryn Clark
President

Cc; Representative Norm Rokeberg





ANCHORAGE BOARD OF REALTORS, INC.

REALTOR® *The Voice for Real Estate™* In Anchorage

741 Sesame Street
Suite #100
Anchorage, Alaska 99503
(907) 561-2338
(907) 563-8478 Fax

Tuesday, February 10, 2004

The Honorable Lesil McGuire
Chairwoman, Judiciary Committee
Alaska House of Representatives
State Capitol Building
Juneau AK. 99801

RE: House Bill 29, relating to real estate licensees and real estate transactions.

Dear Chairwoman McGuire,

The Anchorage Board of Realtors Supports HB 29, which would update the agency statute to conform to current real estate business practices.

This legislation will standardize the disclosure forms and requirements through out the state.

Agents in all over the state would be required to use the same format for disclosure of duties to the parties involved in a real estate transaction.

This will give the public more protection in real estate transactions, by providing clearer expectations and guidelines.

The Anchorage Board of Realtors, Board of Directors unanimously encourages passage of House Bill 29.

Please feel free to contact me should you have further questions.

Sincerely

Eva Loken
President

- cc: The Honorable Tom Anderson
- The Honorable Les Gara
- The Honorable Max Gruenberg
- The Honorable Jim Hulm
- The Honorable Dan Ogg
- The Honorable Norm Rokeberg
- The Honorable Ralph Samuels





Prudential Vista Real Estate
4241 B Street
Anchorage, AK 99503
Bus 907 562-6464
Fax 907 562-5485
www.alaskahousenunters.com

Representative Tom Anderson
State Capitol, Room 432
Juneau, AK 99801-1182

Dear Representative Anderson,

I am writing to you in support of HB 29. I have been in the real estate industry over 20 years and have seen the agency laws change from traditional agency where all brokers in the transaction represent the seller and the buyer is left with no representation at all to buyer, seller, and dual agency. Although that was a step in the right direction for the consumer, the way the law was written required a very cumbersome ritual for the real estate salesperson to go through and it was a law that was little understood by both the salesperson and the client. Most times the client would sign documents after having agency explained by the salesman as just another document that must be signed to complete the transaction. They did not care about agency as such unless there was a problem, then they hired an attorney and tried to unravel the contract any way they could and agency was a weak link that they could fall back on. We have never acted as agents in the sense of the definition, "acting on behalf of another." To do that would be more like acting as an attorney in fact, which broker typically does not allow their salespeople to do.

HB 29 was created over many hours by many people looking for a way to complete a transaction being fair to the parties and leaving less liability for the parties on the table. Attorneys have a hard time understanding that in a real estate transaction, both parties can win. There does not have to be an adversarial position between the buyer and seller to conclude a successful transaction. HB 29 builds on this concept by allowing the salesperson to act as a buyer licensee, seller licensee or neutral licensee. The salesperson's job is to help a buyer and a seller close a transaction that both parties have agreed to.

I ask that you and our other legislators heartily support this bill to passage early in the 2004 session.

Sincerely,

A handwritten signature in cursive script, appearing to read "D Wood".

Denny Wood, ABR, CRS, GRI
Sales Manager, Associate Broker
President Elect Alaska Association of Realtors



POWELL REALTY INC.
GMAC REAL ESTATE®

February 1, 2004

Representative Norman Rokeberg
State Capital Building
Juneau, Alaska 99801

Re: HB 29,

Dear Representative Rokeberg,

Please convey to the House Labor and Commerce members that I am personally supportive of the current version of HB 29. It is my opinion that the current bill will not only protect the public but provide more education to the public, with the state mandated brochure explaining representation issues.

A handwritten signature in cursive script that reads "Ruth Blackwell". The signature is written in black ink and is positioned above the typed name and address.

Ruth Blackwell, Associate Broker
Powell Realty, GMAC
9040 Glacier Highway
Juneau, Alaska 99801



Subject: RE: Be it resolved

Date: Wed, 04 Feb 2004 13:05:26 -0900

From: PeggyAnn McConnochie <peggyann@gci.net>

To: "Shawn C. Paul" <shawn@alaska.com>

CC: Sandy Eherenman <seherenman@alaskarealtors.com>, Amanda_Wilson@legis.state.ak.us,
Dave Feeken <dfeeken@alaska.net>

Thank you.

-----Original Message-----

From: Shawn C. Paul [<mailto:shawn@alaska.com>]

Sent: Wednesday, February 04, 2004 11:45 AM

To: PeggyAnn McConnochie

Subject: Be it resolved

On behalf of the Southeast Board of Realtors and it's governing board I offer our strong support for HB 29. A thorough examination of agency law in Alaska has been long overdue. We feel this provides a much greater level consumer protection and clarifies what has been heretofore an unwieldy law which expert and layman alike had trouble understanding. We ask that the members of the Labor and Commerce Committee of the Alaska State Legislature stand with us in supporting this bill to their colleagues in both houses. We have asked statewide leadership to represent us in answering any questions that may arise. If there are specific colleagues which the members would like us to ask for support from in the Southeast districts we would be happy to do that as well.

Respectfully,
Shawn C. Paul
SEBR President

Subject: Letter of Support HB 29

Date: Mon, 19 Jan 2004 20:17:14 -0900

From: "David Feeken" <dfeeken@alaska.net>

To: "Amanda Wilson" <amanda_wilson@legis.state.ak.us>, "wendy mulder" <wendym@gci.net>

Honorable Representative Norman Rokeberg:

RE: Substitute HB 29

This proposed legislation will modernize and bring the statute in line with current real estate business practices in this state and throughout the nation.

The current statute was put in place in 1990 in response to the public's demand for buyer representation. Prior to 1990, due to common law and common business practice all real estate licensees represented the seller, and the seller was responsible for the actions of all licensees in the transaction. The buyers had no representation in the transaction. The seller knew that the licensee was working on their behalf; but few buyers understood that they were not represented or worse thought the licensee was representing them. The buyers wanted representation, and the seller did not want to be responsible for the actions of the licensee working with the buyer. This practice was called Subagency. Subagency is not allowed in most MLS systems today. The current statute simply informs the seller and the listing agent that the buyers' agent is representing the buyer, and the potential of dual agency when the listing brokerage firm is facilitating the purchase with the buyer.

The industry and the public, through education have grown in the last 13 years. The proposed legislation will standardize the disclosure requirements and provide a relationship disclosure form that will be used statewide by all licensees. The public and licensee will have written in statute, the basic duties and responsibilities of all licensees throughout the state. This will protect the public, giving the consuming public clear expectations and guidelines.

The proposed legislation will also require brokers to have clear office policies in place as guides to all agents within their offices. These policies will spell out the way all representation will be done, and the procedures used to protect the

confidentiality of the transaction. The proposed legislation will require the policy be available for the public to view, in order to make informed decisions when choosing a licensee.

Our goal with this legislation is to make the industry consistent throughout the state, enabling the consuming public to make knowledgeable, informed decisions, and provide a more efficient way for licensees to provide services to the public.

The proposed legislation will standardize the disclosure form that is used statewide by all licensees. The public will see the duties and responsibilities of a licensee or broker before looking at properties or giving confidential information. The proposed legislation defines specific duties of licensees that are not current in statute, therefore giving the consuming public clear expectations and guidelines.

Proposed legislation gives brokers the option of using designated agency to prevent dual agency. When the listing agent is a different person than the buyers' agent within the same firm, the broker can designate an agent representing the seller and a different agent representing the buyer. Neutral Agency (Dual Agency) would only occur when the listing agent is facilitating the transaction with the buyer. Most brokerage firms currently have firewalls in place to control confidential information.

The members of our legislative committee would be happy to meet with you to answer your questions and address any concerns you may have with this legislation.

Sincerely,

Dave Feeken

907-283-5888 O 907-252-0348 Cell

Industry Issues, Chairman

Legislative Committee, Chairman

**Prudential**

Prudential Vista Real Estate

4241 B Street

Anchorage, AK 99503

Bus 907 562-6464

Fax 907 562-5485

www.alaskahousehunters.com

Representative Norm Rokeberg
State Capitol, Room 214
Juneau, AK 99801-1182

Dear Representative Rokeberg,

I am writing to you in support of HB 29. I have been in the real estate industry over 20 years and have seen the agency laws change from traditional agency where all brokers in the transaction represent the seller and the buyer is left with no representation at all to buyer, seller, and dual agency. Although that was a step in the right direction for the consumer, the way the law was written required a very cumbersome ritual for the real estate salesperson to go through and it was a law that was little understood by both the salesperson and the client. Most times the client would sign documents after having agency explained by the salesman as just another document that must be signed to complete the transaction. They did not care about agency as such unless there was a problem, then they hired an attorney and tried to unravel the contract any way they could and agency was a weak link that they could fall back on. We have never acted as agents in the sense of the definition, "acting on behalf of another." To do that would be more like acting as an attorney in fact, which broker typically does not allow their salespeople to do.

HB 29 was created over many hours by many people looking for a way to complete a transaction being fair to the parties and leaving less liability for the parties on the table. Attorneys have a hard time understanding that in a real estate transaction, both parties can win. There does not have to be an adversarial position between the buyer and seller to conclude a successful transaction. HB 29 builds on this concept by allowing the salesperson to act as a buyer licensee, seller licensee or neutral licensee. The salesperson's job is to help a buyer and a seller close a transaction that both parties have agreed to.

I ask that you and our other legislators heartily support this bill to passage early in the 2004 session.

Sincerely,

A handwritten signature in cursive script, appearing to read "Denny Wood".

Denny Wood, ABR, CRS, GRI
Sales Manager, Associate Broker
President Elect Alaska Association of Realtors



*Above
the
Crowd!*

Gene DuVal
REALTOR®

February 3, 2004

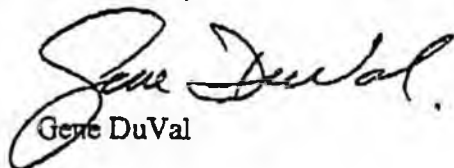
To Chairman Anderson,

I have carefully reviewed the Sponsor Substitute for House Bill Number 29, "an Act relating to real estate licensees and real estate transactions; and providing for an effective date."

I am a Real Estate member of the Alaska Association of Realtors, and an Associate Broker real estate licensee in Alaska. I believe this Act would offer needed protection to the public, and significantly simplify the process of explaining and documenting agency representation by licensees to the public.

I urge you to support it. Feel free to contact me via phone, fax, or e-mail for comments or inquires.

Best wishes,


Gene DuVal

RE/MAX Associates of Fairbanks

529 5th Avenue, Suite #200
Fairbanks, Alaska 99701
Office: (907) 452-4363
Fax: (907) 452-1499
E-mail: duval@gcl.net
www.geneduval.com

Each Office Independently Owned and Operated





Gene Duval
REALTOR®

February 17, 2004

Dear Representative Lesil McGuire,

I have carefully reviewed the Sponsor Substitute for House Bill Number 29, "an Act relating to real estate transactions," sponsored by Representative Rokeberg.

I am a member of the Alaska Association of Realtors, and an Associate Broker real estate licensee in Alaska. I believe this Bill would offer needed protection to the public since it clearly defines and determines when and in what manner licensees must disclose agency to clients/customers. It also significantly simplifies the process of explaining and documenting agency representation to the public.

I urge you to support it. Feel free to contact me via phone, fax, or e-mail for comments or inquiries.

Best wishes,



Gene DuVal

RE/MAX Associates of Fairbanks

529 5th Avenue, Suite #200
Fairbanks, Alaska 99701
Office: (907) 452-4363
Fax: (907) 452-1499
e-mail: duval@gci.net
www.geneduval.com



Each Office Independently Owned and Operated



January 19, 2004

The Honorable Norman Rokeberg
Alaska House of Representatives
State Capitol Building
Juneau, Alaska 99801

Dear Representative Rokeberg;

House Bill 29 is probably the most important piece of legislation affecting the real estate brokerage industry in over a decade. It is supported almost unanimously by REALTORS®, the Alaska Real Estate Commission and real estate licensees throughout the State. I also support this legislation.

The present statutes regarding real estate licensee disclosure of duties and responsibilities became effective in January of 1991. There has been only minor modification to the laws since then and the way real estate is transacted has changed considerably. Most other states have modified their laws to reflect these changes but Alaska has not.

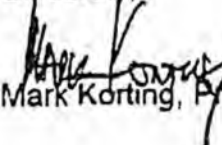
In June of 2002 the Alaska Association of REALTORS® formed a Task Force, of which I was a member, to address this situation. After over a year of extensive research, review and debate along with the input and consultation of the Alaska Real Estate Commission, a consensus was reached. The result is HB 29 along with some Regulation changes that have been approved and are in the process of being adopted.

This legislation will benefit the public as well as the industry in that it more clearly and concisely defines the duties, responsibilities and disclosures of all the parties to a real estate transaction.

Again, I support HB 29 and would be glad to try to answer any questions you or any of your colleagues may have.

Thank you for your efforts and thank you for serving in the Legislature. I understand and appreciate the sacrifice you have to make.

Sincerely,


Mark Korting, President

RE/MAX of alaska, inc.
2600 cordova street, suite 100
anchorage, alaska 99503
phone: (907) 276-2761