



Real Broker, LLC

Alaska Addendum To The Real Broker, LLC Independent Contractor Agreement

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Introduction

Real Broker – Alaska State Policy and Procedure Manual is written as an addendum to the *Real Broker Agent Policy and Procedure Manual* (version 2.15.2021).

Real Broker, LLC (Company) makes this addendum a part of the Independent Contractor's Agreement to set forth state specific policies and procedures for an agent affiliating with the Company in the State of Alaska (Agent). This addendum supersedes all previous Alaska addendums. The Company reserves the right to modify, suspend, or discontinue any of the terms, policies, procedures and/or benefits described in this addendum with proper notice.

The *Real Broker Agent Policy and Procedure Manual* states the following regarding the state specific addendum:

Real will implement its policies and procedures in a national and state specific format. This document addresses those policies and procedures which are applicable on a national scale. Subjects requiring a state specific approach will be contained within the state specific policies and procedures addendum. An agent must be familiar with both the national and state specific policies and procedures documents. Should there be a conflict between the documents, the state specific addendum will supersede the national policy and procedures manual.

Real Broker, LLC Definitions:

Agent(s) - A licensed real estate professional who signed an Independent Contractor's Agreement with Real Broker, LLC, or one of its entities.

The Alaska Real Estate Commission, in its Statutes and Regulations, refers to "agents" as "licensees"; therefore, the term "licensee" is used in this document.

Broker and Licensee

Adhere to the Code of Ethics and Bylaws of Local Board and MLS

Both parties agree to conform to and abide by all laws, rules and regulations, and codes of ethics that are binding on or applicable to Alaska real estate brokers and affiliated licensees. Strict adherence to the governing Statutes, Regulations and Rules of the Alaska Real Estate Commission, The Code of Ethics of the National Association of REALTORS[®], Local Board/Association governing documents, Alaska MLS and Fairbanks MLS will be followed by the broker and licensee. Each party acknowledges receipt of a copy of the Code of Ethics, the local Board/Association Constitution and/or Bylaws, and the Rules and Regulations of the Multiple Listing Service. The following is a list of important links:

- <https://www.alaskarealestate.com/>
- <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateCommission/Education.aspx>
- www.grbr.org (Greater Fairbanks Board of Realtors)
- https://alaskarealestateschool.com/content/pre/ch9b_pre_class.pdf
- <https://www.commerce.alaska.gov/web/Portals/5/pub/RECreulations.pdf> (Statutes and Regulations - Real Estate Commission)

Office Policies

Changes in Contact Information – Name, Address, Telephone Number(s) and Email Address

Any change in name, address, telephone number(s) and email address of a licensee must be reported immediately to the broker, or his designee, who will make a record of the change and then report the change to the AREC, the local Board of REALTORS® and the MLS.

The licensee is responsible for any fees associated with name, address and telephone number changes from AREC, the Board of REALTORS® and the MLS.

Contacting the Broker

The Alaska State Broker can be reached by phone, email, text and WorkPlace Chat. His preferred method of contact is WorkPlace Chat. Messages will be returned in a timely manner. Contact info: Office: 907-622-1345; Direct: 907-242-6717; akbroker@therealbrokerage.com
Broker's office: 11127 Old Eagle River Road, Suite 105, Eagle River, Alaska 99577

Weekly Meetings – Purpose and Attendance Expectations

Sales meetings are conducted weekly. Company policies, company happenings, changes in the market, new financing procedures, law changes, etc. will be discussed during these meetings. The purpose of the sales meetings is to keep licensees abreast of all facets of real estate happenings. They include: training periods, round table for discussion periods, Q & A sessions concerning policies, new listings and requirements for property made by prospective buyers

Meetings are held on a weekly basis and attendance is strongly encouraged for all licensees. All meetings are recorded and posted on WorkPlace in the Alaska State Group and may be viewed at any time.

Document Control Checklist

The Alaska Real Estate Statute revisions effective 1/01/2005 changes the responsibility of the handling of confidential information regarding consumers involved in real estate transactions.

The following documents must be placed and maintained in the licensee's confidential file:

1. Loan information obtained from any lender currently holding a loan on the property
2. Loan pay-off letter
3. Any other confidential documents, including correspondence, that pertain to the transaction licensees will keep, including negotiation strategies and motivation, bank/financial information and call logs in their files. After a transaction closes, this information will be retained by the licensee in a confidential file. When appropriate, some documents may be destroyed.

The following documents must be placed and maintained in the licensee's and broker's transaction file or in SkySlope. In Alaska, to execute a legal contract the listed documents are required following the steps and guidelines outlined on the next three pages, "Alaska Required Documents Checklist":

Alaska Required Documents Checklist

Red means must be filled in on all contracts

Yellow means when needed

Residential Listing

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Authorization and Exclusive Right to Sell 2015B Filled out completely
- Affiliated Business Arrangement Disclosure Filled out completely
- AK Residential Real Property Disclosure Filled out completely
- AK Residential Real Property Disclosure Waiver* Filled out completely and countersigned
- Lead Based Paint Disclosure (Prior to 1978) * Filled out completely and countersigned
- Wood Burning Device* Filled out completely
- Contaminated Water* Filled out completely

Residential Selling

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Purchase Sale Agreement Filled out completely and countersigned
- Counteroffer* Filled out completely
- All Addendums* Filled out completely
- All Amendments* Filled out completely
- Affiliated Business Arrangement Disclosure Filled out completely
- FHA VA Amendatory Clause* Filled out completely
- AK Residential Real Property Disclosure Filled out completely and countersigned
- AK Residential Real Property Disclosure Waiver* Filled out completely
- Lead Based Paint Disclosure (Prior to 1978)* Filled out completely
- COSA* Filled out completely

- Wood Burning Device* Filled out completely
- Contaminated Water* Filled out completely
- Resale Cert* Filled out complete

Condo Listing

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Authorization and Exclusive Right to Sell 2015B Filled out completely
- Affiliated Business Arrangement Disclosure Filled out completely
- AK Residential Real Property Disclosure Filled out completely
- AK Residential Real Property Disclosure Waiver* Filled out complete and countersigned
- Lead Based Paint Disclosure (Prior to 1978) * Filled out completely and countersigned

Condo Selling

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Purchase Sale Agreement Filled out completely and counter signed
- Counteroffer* Filled out completely and countersigned
- All Addendums* Filled out completely and countersigned
- All Amendments* Filled out completely and countersigned
- Affiliated Business Arrangement Disclosure Filled out completely
- FHA VA Amendatory Clause* Filled out completely and countersigned
- AK Residential Real Property Disclosure Filled out completely and counter signed ● AK Residential Real Property Disclosure Waiver* Filled out completely and countersigned ● Lead Based Paint Disclosure (Prior to 1978)* Filled out completely and countersigned ● Resale certificate* Filled out completely

Raw Land Listing

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Authorization and Exclusive Right to Sell 2015B Filled out completely

Raw Land Selling

- AREC Filled out completely
- AREC Waiver* When used top must be filled in or filled out completely



- Purchase Sale Agreement Filled out completely and counter signed

*As Needed

- AREC Waiver (to be used with AREC when representing both sides)
- Counteroffer (if applicable)
- All Addendums (if applicable)
- All Amendments (if applicable)
- FHA VA Amendatory Clause (for use with FHA and VA if applicable)
- Wood Burning Device, Fairbanks (if Home has any wood burning device it must be disclosed, the realtor must check the ADEC Wood burning device approved list, if it's listed it can stay but must be registered, if it's not on the list the device must be removed prior to and sale or lease transfer)
- Contaminated Water (if Home is in the Sulfolane Plume)
- AK Residential Real Property Disc Waiver (waiver may be used if all parties agree)
- Lead Based Paint Disclosure (for buildings constructed prior to 1978) *
- COSA (for use in the Anchorage Municipality)
- Resale Cert (as required for homes within a HOA or condos with HOA)

Personal Assistants

Unlicensed Assistants

Employment of a personal assistant who provides services that do not require a license.

Unlicensed Assistants may:

- Answer the phone and forward calls
- Fill out and submit listings and changes to multiple listing service
- Assemble documents for closing
- Secure public information from courthouses, utility districts, etc.

- Have keys made for company listings
- Write ads for approval of Associate or Broker, and place classified advertising
- Receive, record and deposit earnest money, security deposits and advance rents under the direct supervision of Broker if funds are brought to the office; off-site collection of rent requires a license
- Type contract forms for approval by a licensee and broker
- Monitor licenses and personnel files
- Compute commission checks
- Place signs on property
- Order repairs as directed by the licensee
- Prepare flyers and promotional information for approval by Associate and Broker.
- Deliver documents and pick-up keys
- Gather information for a comparative market analysis (CMA)

Unlicensed assistants MAY NOT:

- Make prospecting calls by telephone or in person to potential listings or purchasers
- Show properties for sale and/or lease to prospective buyers
- Host public open houses, host licensee open houses, home show booths or fairs
- Answer any questions concerning properties listed with Real Broker Alaska
- Prepare promotional material or advertising or properties for sale or lease without the approval of the broker
- Discuss or explain listings, offers, contracts, or other similar matters
- Be paid on the basis of real estate activity; such as percentage of commission, or any amount based on listings, sales, etc.
- Act as a "go-between" with a seller and buyer such as when an offer is being negotiated
- Negotiate or agree to any commission split or referral fee on behalf of a licensee
- Have a prospective buyer or lessee sig
Have a prospective buyer or lessee sign an offer to purchase or lease

Licensed Assistants

Licensed assistants must be directly supervised and monitored by the broker unless a written agreement, which meets the requirements of Alaska Statutes, is provided and signed. Only with full compliance may the licensed assistant be paid directly by the licensee. A licensed real estate salesperson, or licensed associate real estate broker, may act as a licensed assistant to a real estate licensee other than the Broker who employs the salesperson or associate broker if the employment arrangement between the licensed assistant and the other licensee is in writing and conforms to the applicable state and federal regulations regarding employment; the employment of the licensed assistant is approved in writing by the Broker of the licensee who employs the assistant; the licensee who employs the assistant agrees to be responsible for paying the licensed assistant's wages and appropriate taxes and completing the appropriate state and federal tax forms; and the broker of licensee who employs assistant agrees to be liable for actions of the licensed assistant.

Advertising / Signs / Home Offices

Alaska Advertising Statutes and Regulations General Principles

1. All licensees shall affirmatively and unmistakably indicate in any advertising that they are licensed to practice real estate in Alaska and will include the name of Real Broker, LLC as required by Alaska Statutes and Regulations.
2. All licensees shall advertise under Real Broker, LLC name – offers to purchase, sell, rent, or lease any property, including their own.
3. Licensees shall not post a sign on any property for which they do not have an active written authorization from the owner.

Signs – Expired Listings

Without a current listing contract, signs are not to be left on a property. Signs from expired listings must be removed within two days after expiration or closing. Sold signs may remain on a property for up to 7 days after closings provided that the consent of the new owner (buyer) has been obtained.

Office Signs (12 AAC 64.127)

- (a) The physical address of the office of a licensed real estate broker must be clearly identifiable to the public from outside the office.
- (b) A real estate broker shall prominently display a sign showing the name of the real estate business at the entrance to the real estate office. Authority: AS 08.88.081 AS 08.88.381 12 AA

Home Offices (12 AAC 64.128)

- (a) A broker in charge of a principal office who permits an associate broker or a salesperson under the supervision of the broker to work out of a home office that is not a principal office or a branch office, must comply with supervision requirements of 12 AAC 64.125. (b) An associate broker in charge of a branch office who permits another associate broker or a salesperson under the supervision of the associate broker to work out of a home office that is not a principal office or a branch office, must comply with supervision requirements of 12 AAC 64.125.
- (c) An associate broker or salesperson working out of a home office that is not a principal office or a branch office may not
 - (1) give the appearance or impression that the home office is a principal office or a branch office;
 - (2) display a sign at the home office showing the name of the real estate business; or (3) use the address of the home office in any form of advertising, business letterhead, or business cards for the real estate business; the address of the principal office or branch office from which the associate broker or salesperson conducts real estate business must be used in the advertising, business letterhead, or business cards for the real estate business. Authority: AS 08.88.291 AS 08.88.311

Alaska Real Estate Licensee / Consumer Relationships

Alaska Real Estate Commission Consumer Disclosure

In Alaska, a real estate licensee is **required by law** to provide a copy of the Alaska Real Estate Commission Consumer Disclosure (often referred to as “pamphlet”) in which the duties of a real estate licensee are outlined. After the consumer has read the information contained in the disclosure statement, they acknowledge their receipt of it by signing page 2 and then returning it

to the real estate licensee who provided it. A link to that form is:

<https://eforms.com/images/2018/07/Alaska-Real-Estate-Commission-Consumer-Pamphlet.pdf>

In Alaska, a real estate licensee is required by law to provide the “Alaska Real Estate Commission Consumer Pamphlet” before providing “Specific Assistance.”

Information Provisions and Specific Assistance Definition

Only real estate licensees are permitted to provide factual information on listings, which is normally found in newspaper ads, on websites and in other marketing or property data sheets. Providing information on an inquiry does not constitute “Specific Assistance.”

“Specific Assistance” Definition

- Asking questions regarding confidential information for a real estate transaction;
- Showing selected real estate;
- Preparing written offers;
- Entering into personal services contract.

“Specific Assistance Is Not”

- Hosting an open house;
- Casual conversation about real estate;
- Responding calls: Signs, Ads, Website;
- Providing information regarding a piece of real estate;
- Setting an initial appointment to show a piece of property;
- Receiving unsolicited information from a buyer or tenant.

Relationship Disclosures Required – Initial Disclosure

Before providing “specific assistance,” or entering into a contract, licensee provides copy of the pamphlet titled “Alaska Real Estate Commission Consumer Pamphlet” outlining duties and types of licensee relationships, before providing “specific assistance” to the person, and obtain party’s signature on the document disclosing licensees relationship with that person, unless the party is exempt by statute.

Reconfirming Disclosure

The licensee is required by law to document an additional disclosure of their relationship to the consumer in a real estate service or transaction handled by the licensee. Contracts include personal service agreements representation of buyers or sellers, management agreements with landlords and community associations, or rental agreements with tenants and landlords. When a person signs a contract Alaska law requires that the disclosure must be: In the contract in a separate paragraph entitled “Licensee Relationships.” Separate document entitled: “Licensee Relationships”

Relationship Disclosure Signature Exemptions

Publicly traded companies, governmental agencies, and businesses with a \$2 million net worth in the previous year, who request an exemption, can waive the signature requirement of AS 08.88.600-08.88.695. Licensee is required to document any requests for waiver including the name, authority and title of who requested the exemption. Also document the fact that the “AREC Consumer Pamphlet” was given to the party requesting the exemption, and include that information in the file.

The waiver is for signatures only. The licensee still gives the required documentation. “AREC Consumer Pamphlet” is given to all parties. If “Neutral” is chosen, an additional document, “Waiver of Right to Be Represented” is given but no signature is required. Reconfirming disclosure is not waived, either. A written disclosure titled “Licensee Relationships,” formatted in a separate paragraph in the offer or a separate document, is given when a person signs a contract, and should be documented.

Required Stigmatized Property Disclosure

Before a buyer makes or accepts an offer, licensee must disclose if murder or suicide occurred on the subject property of the transaction. If: the murder or suicide occurred within one year before the date licensee first showed the real estate to them, and licensee is aware the murder or suicide occurred on the real estate.

Broker Policy: Stigmatized Property Disclosure

This type of situation regarding a property may be considered a material, or latent defect. It can cause nullification of sale, and costly legal action against seller and licensees. Potential impacts of a stigmatized property include an increase in marketing time up to 45%, and Loss of Value from 15-35%. Because of these issues Brokerage policy requires stigmatized property disclosure. If this situation occurs it must be brought to the attention of the Broker to insure proper safeguards are included, while respecting the privacy of the seller. Licensees are to discuss with seller the risks, and document this disclosure to them.

Additional Disclosure Issues

Disclosure of information is necessary to help consumers make the best choices. It is the policy of Real Broker, LLC Alaska to comply with all statutes that require conflicts of interest disclosure if a licensee, one of their relatives or business associates has in any way a financial involvement, or contemplated interest in a transaction in any way other than as a licensee. Other disclosures may also be necessary. Some of the areas that would need disclosure include but are not limited to:

- Financial conflicts of interest
- Additional \$ collected related services
- Compensation or Co-op marketing
- Suppliers and Service Conflicts
- Co-operative policy with other Brokers
- Property Disclosure
- Megan’s Law
- Lead Based Paint
- Floodplains
- Agricultural Districts
- Environmental

Duties Not Owed to Consumers Regardless of Licensee Relationship

Regardless of type of licensee relationship, unless agreed otherwise in writing, the licensee has no duty to:

- Investigate a person’s financial condition
- Conduct an independent property inspection
- Independently verify accuracy or completeness of statements by parties in a transaction

- reasonably believed reliable
- To show or search for properties without compensation

If any additional duties are to be performed, the licensee must put that agreement in writing, have the parties that requested the additional duties sign the agreement, and give a copy to the Broker.

Consumer Real Estate Licensee Relationship Options

1. Specific Assistance
2. Representation
3. Designated Licensee
4. Neutral Licensee

Present all written communications in a timely manner;

Disclose all material information regarding the physical condition of a property;

Account for all money and property received.

Additional Duties Licensee owes when representing:

- Not knowingly do anything that is adverse or detrimental to “represented” parties interests;
- Disclose all conflicts of interests to “represented” party in a timely manner; ○ If a matter is outside their area of expertise, advise consumer to seek expert advice; ○ Not disclose confidential information, even after the relationship ends, from or about “represented” party without written permission, except under a subpoena or court order;
- "Confidential Information" means information from or concerning a person that ○ The licensee acquired during the course of the licensee's relationship as a licensee with the person;
- The person reasonably expects to be kept confidential;
- The person has not disclosed or authorized to be disclosed to a third party;
- Would, if disclosed, operate to the detriment of the person; and
- The person is not obligated to disclose to the other party in a real estate transaction;
- Confidentiality (see definition in Alaska Statutes Sec. 08.88.695)
- (The consumer cannot waive duties 1-4 of either Duties owed or Additional Duties) ○ Make a good faith and continuous effort to accomplish your real estate goals. However, once a consumer has entered into a specific real estate transaction agreement, licensee’s efforts refocus on its successful completion.

1. “Designated Licensee” Non-Agency Client Relationship

This occurs when a licensee “represents” or provides “specific assistance” to a party to a transaction and another licensee within the same company “represents” or provides “specific assistance” to the other party in the same transaction.

Duties Licensee owes:

- Exercise reasonable skill and care;
- Deal honestly and fairly;
- Present all written communications in a timely manner;
- Disclose all material information regarding the physical condition of a property;
- Account for all money and property received.

Additional Duties Licensee Owes:

- Not knowingly do anything that is adverse or detrimental to “represented” parties interests;
- Disclose all conflicts of interests to you in a timely manner;
- If a matter is outside licensee’s area of expertise, advise consumer to seek expert advice;
- Not disclose confidential information, even after the relationship ends, from or about “represented” party without written permission, except under a subpoena or court order; ○ (The consumer cannot waive the duties 1-4 of both Duties owed and Additional duties) ○ Make a good faith and continuous effort to accomplish party’s real estate goals. However, once a consumer has entered into a specific real estate transaction agreement, their efforts refocus on its successful completion.

2. “Neutral Licensee” Not Representing Either Party

This occurs when a licensee does not “represent” either party but provides “specific assistance” to both parties in the same transaction. The parties must authorize the “Neutral Licensee” relationship by signing the "Waiver of Right to be Represented" form. The form can either preauthorize a “neutral” relationship or it must be signed prior to showing a property.

Duties Neutral Licensee owes:

- Exercise reasonable skill and care;
- Deal honestly and fairly;
- Present all written communications in a timely manner;
- Disclose all materials information regarding physical condition of a property;
- Account for all money and property received;
- Not knowingly do anything that is adverse or detrimental to parties interests;
- Disclose all conflicts of interest to parties in a timely manner;
- If a matter is outside their area of expertise, advise consumer to seek expert advice;
- (The consumer cannot waive the duties above)
- Not disclose confidential information, even after the relationship ends, from or about parties without written permission, except under a subpoena or court order to include:
 - 1) What they are willing to pay or accept for the property
 - 2) What terms they are willing to accept, if different than what they have offered

Additional Conduct a Neutral Licensee Can Provide if Authorized by Consumer:

If authorized by the consumer the "Neutral Licensee" may engage in the following conduct in a good faith effort to assist in reaching final agreement in a real estate transaction: ○

Analyzing, providing information on, or reporting on the merits of the transaction to each party;

- Discussing the price, terms, or conditions that each party would or should offer or accept;
- or

- Suggesting compromises in the parties’ respective bargaining positions. The company policy regarding conduct authorized by the consumer to a "Neutral Licensee" in making a good faith effort to assist in reaching final agreement in a real estate transaction, is to get a specific document outlining what is acceptable to disclose. This can provide protection from a licensee going further than the consumer wants, in discussing their willingness to accept terms other than those written in the offer.

“AREC Consumer Pamphlet”: How Licensees Work with Consumers

The pamphlet informs consumers that a real estate licensee may work with a variety of other clients (they “represent”) and customers (they provide “specific assistance” to) in different working relationships. In those situations, “representing” or providing “specific assistance” to other sellers, buyers, landlords, and tenants does not create a conflict of interest while working with a consumer.

Occasionally, as a seller or landlord, a situation may arise when the licensee is “representing” the seller and also “representing” another client (buyer or lessee) who becomes interested in the licensee’s listing. Prior to showing the property, the real estate licensee must obtain a written approval to be a “Neutral Licensee” from both parties. A licensee may not show property as a “Neutral Licensee” without obtaining consumers written consent entitled "Waiver of Right to Be Represented." It will restate the duties outlined above and additional ones owed by a real estate licensee serving as a “Neutral Licensee.” Alaska real estate law allows, but does not require, consumers or parties to preauthorize a licensee to be a "Neutral Licensee."

Conflicts of Interest Documentation

A real estate licensee who has a conflict of interest relating to a real estate transaction shall disclose that conflict of interest to the persons adversely affected by the conflict, or their real estate licensees, and confirm the conflict of interest in writing to the persons adversely affected by the conflict, or their real estate licensees involved in the transaction, as soon as possible after the conflict is identified.

The licensee must also verbally advise the person of the conflict, and begin any written statement of the conflict of interest with these words, underlined and written in bold: "Disclosure of Conflict of Interest." Conflicts occur when a licensee has a present ownership or leasehold interest in the property that is the subject of a transaction; is whole or part owner of a business interest in the property being marketed or considered for purchase or lease; represents a relative, or a person with whom the licensee has a financial relationship, if the relative or person has a present financial interest in the property being marketed or considered for purchase or lease. Receiving compensation from someone other than a party to the contract or another party having a financial interest in the transaction; or receiving compensation for community association management, while simultaneously engaged as a property manager for a unit within the community association are also conflicts needing disclosure.

Acts not Considered Conflicts, Adverse or Detrimental:

- Showing real estate not owned or leased by the seller/ landlord to prospective buyers/tenants.
- Listing competing properties for sale or lease.
- Representation of more than one seller or landlord by licensee or by a different licensee working for the same Broker, in competing transactions involving the same buyer or tenant.
- Showing real estate a buyer or tenant is interested in to other prospective buyers and tenants.
- If a licensee discloses confidential information to their Broker, about the person to whom they are providing “specific assistance”, for the purposes of seeking advice or assistance.
- Acting as a “Neutral Licensee.”

Designated Licensee Options

- **In-House Sales – One Licensee** – Licensee may represent one party and provide specific assistance to the other consumer as an unrepresented party – similar to historical client / customer relationship. Licensee may provide services to someone in a separate transaction, under different licensee relationships, if they comply with the laws for each transaction. This includes acting as a “representing” licensee in one transaction, and at the same time not “representing” that party in a different transaction.

Licensee may, with prior written consent of the parties, be a party to the transaction

Licensee may, with agreement of both consumers and proper documentation be a “Neutral Licensee”

- **Designated Licensee: Broker**

A Broker is a “designated licensee.” when they “represent” and provides “specific assistance” to a party in a transaction, when another licensee, working for that Broker, “represents” and provides “specific assistance” for another party in that same transaction. If the other licensee has a question regarding the transaction, the Broker may assign another senior licensee at Real Broker, LLC Alaska, or a Broker outside the company, if necessary, to give any assistance or advice that licensee may require.

- **Designated Licensee: Assignments**

Unless the Broker is the “designated licensee,” the relationship does not extend to the Broker. A Broker may have different “designated licensees” working for a seller/landlord and the buyer/tenant in the same transaction. If required, the licensee giving “specific assistance” or “representing” each respective party will automatically be assigned as their “designated licensee.” Having different “designated licensees” working for each party does not create dual agency or a conflict of interest for the Broker, or for a licensee employed by the Broker. •

- **Designated Licensee: Sales Teams and Licensed Assistants**

When operating in a team environment, all licensees on the team will represent the seller on the team’s listing, and provide only “specific assistance” to a buyer on the same transaction. When the team is “representing” a buyer, all licensed team members are “Designated Licensees” for that buyer. If needed, they may provide “specific assistance” as opposed to representation, to a seller involved in a transaction involving their buyer.

In some teams where licensed assistants are further removed from the transaction, and are serving in a processing role similar to a the team’s transaction coordinator, a “Neutral Licensee” role with all parties approval and appropriate documentation, may also be used with the understanding that issues that occur between the parties in the transaction that may require further resolution or negotiation, will not involve the “Neutral Licensee” team member but instead rely on the primary Associates.

- **Designated Licensee: Transaction Coordinators**

Transaction coordinators will follow all procedures outlined in the confidentiality section and file a signed confidentiality agreement with Real Broker, LLC Alaska. If licensed, they join the licensee who hires them, as a “Designated Licensee” for that consumer.

On an in-house sale where the coordinator is providing support to both licensees, with the permission of the parties involved in the transaction, the coordinator will take a “Neutral Licensee” role. The two primary licensees that hired the coordinator will continue to serve as “Designated Licensees” for their respective parties. Any issues that occur between the parties in the transaction that may require further resolution or negotiation, will not involve the transaction coordinator, but instead rely on the primary Associates as “Designated Licensee” for their respective parties.

The duties of a “Neutral Licensee” Transaction Coordinator fit well with their responsibilities to get the transaction completed. They must exercise reasonable skill and care; deal honestly and fairly; present all written communications in a timely manner; disclose all materials information regarding physical condition of a property; account for all money and property received; not knowingly do anything that is adverse or detrimental to “represented” parties interests; disclose all conflicts of interests to “represented” parties in a timely manner; if a matter is outside licensee’s area of expertise, advise consumer to seek expert advice; not disclose confidential information, even after the relationship ends, from or about “represented” parties without written permission, except under a subpoena or court order.

If the Transaction Coordinator is a party to the transaction, or has a conflict of interest with the transaction, a substitute coordinator will be used if possible. If not available, all transaction parties should sign a Conflict of Interest form prior to receiving “specific assistance” if the conflict is known. If a conflict is discovered later, “Conflict of Interest” reporting and documentation will occur immediately to all affected parties.

- Designated Licensee: Seller/ Landlord/ Community Association

The licensee providing “specific assistance” or “representation” to a seller, landlord, or community association will automatically be assigned as the “Designated Licensee” for that party. Unless the Broker assigns another licensee, in writing, to “represent” those parties, no other licensee in the company “represents” them.

- Designated Licensee: Unique Issues for Community Associations

The licensee providing “specific assistance” or “representation” to a community association will automatically be the “Designated Licensee” for that association. Community association managers are required to comply with disclosure and documentation requirements when providing “specific assistance”: This occurs no later than signing an association management agreement. A resolution is necessary from the community association board, consistent with Alaska Statutes 12 AAC 64.065. It grants authority to a board authorized officer or designee, to sign required documents on behalf of the association. If “Neutral Representation” is necessary, a signed “Waiver of “Right to Be Represented” would also be required. This resolution can Preauthorize “Neutral Representation” or give authority to an officer or other person, to sign required documents as necessary. This helps avoid delays in getting people information the board wants them to have.

- Designated Licensee: Buyer/ Tenant:

The licensee providing “specific assistance” or “representation” to a buyer or tenant will automatically be assigned as the “Designated Licensee” for that buyer or tenant. No other licensee in the company will “represent” that buyer or tenant unless the Broker assigns another licensee in writing. The option to provide “specific assistance” without “representation” is also available. Examples could include, another licensee at Real Broker, LLC Alaska showing the party property for sale or rent, while giving them unrepresented, customer- level service. •

- Designated Licensee: Replacement

The Alaska State Broker for Real Broker, LLC may appoint temporary or permanent replacements for a “Designated Licensee” for a number of reasons. If the “Designated Licensee” is out of town for several days, and for various reasons, unable to maintain communication, or support to the transaction, they’re sick and can’t follow-up, or an extreme circumstance, making it unlikely they will return to work. Notice must be given to affected sellers, landlords, buyers, tenants or community associations of the replacement appointment. All replacement licensees will be responsible for keeping confidential information, both during and after the transaction.

Broker Retains Vicarious Liability for Licensee – Actions No Imputed Knowledge Unless the Broker is the “Designated Licensee,” when a licensee “represents” or provides “specific assistance” as a “Designated Licensee” to a party, the knowledge received by that licensee is not “imputed” to the Broker. This is not construed to limit the responsibility of the Broker, or to shield the Broker or business from “vicarious liability.”

Compensation

A firm may be compensated by any party in a transaction, by a third party, or by any one or more of the parties to the transaction splitting or sharing the commission. The payment of compensation to the Broker may not be construed to establish a relationship between the Broker and the party who pays.

Compensation Disclosure

If a licensee provides “specific assistance” or enters into a personal services agreement, or if a party enters into a contract to sell, buy, rent, or lease, licensee must disclose which party the licensee anticipates will be paying compensation to the Brokers in the transaction. Licensee shall include in the contract a statement indicating which party is paying compensation to the Brokers in that transaction.

Duration of Relationship

Relationship begins when licensee “represents” or provides “specific assistance” and continues to earliest of:

- Licensee completes the representation or “specific assistance”
- The relationship term ends;
- The relationship is terminated by mutual agreement;
- One party gives notice to the other

The termination does not affect the contractual rights of the parties to the licensee relationships. Except as otherwise agreed to in writing, no duties continue after termination except duties of accounting and confidentiality.

Transaction File Review

All files must be submitted to the Broker or their designee prior to closing. Each licensee will be responsible to deliver to the Broker, or their designee, a commission letter prior to the closing of a transaction. Alaska Law requires Broker or their designee, review files for completeness and accuracy to ensure all required documents are on file, including all applicable local, state and federal forms relating to the transaction, prior to closing.

This commission letter will generate a review of Real Broker, LLC Alaska’s file prior to the recording of the transaction. The broker or their designee will then review the file to insure the checklist of documents needed, completes the file and assures required documents are properly executed and on file, at Real Broker, LLC Alaska, prior to recording. A HUD 1 settlement statement or similar document providing the financial details of the transaction must be delivered to the Broker for review, no later than the signing of documents.

Personal Service Agreements

Reference the following:

State of Alaska Residential Real Property Transfer Disclosure Statement *State of Alaska Residential Real Property Transfer Disclosure – Exemption for First Sale* *State of Alaska Residential Real Property Transfer Disclosure – Waiver by Agreement*
Consumer Relationship Disclosure

Before a seller, landlord or an authorized representative of a community association receive “specific assistance” or sign a listing, management contract, or personal services agreement, the Associate must provide a copy of the “AREC Consumer Pamphlet” to that party, that details different types of licensee duties and relationships available. The Associate will also get a document signed by the party that confirms the relationship between the licensee and that party, unless the party is exempt. (See Chapter 6 - Consumer Relationships)

Residential Property Condition Disclosure

Upon execution of the listing contract, the Associate will obtain from the seller as soon as possible, a completed State of Alaska "Residential Real Property Transfer Statement" for all residential real property whose primary purpose is to provide a single family, or two single family dwellings, in one building. If the property has never been occupied and this sale is the first transfer, the property is exempt from Alaska Statute 34.70.010-34.70.200.

The Statute allows a transferor and transferee to waive the "Residential Real Property Transfer Statement" if they agree in writing. It is the Brokerage policy to strongly advise against that unless there are extenuating circumstances, such as an estate or institutional sale, where the seller is unaware of the information needed to provide the disclosure. Under no circumstances is the Associate to fill out the form.

It is the policy of the Brokerage to have the property disclosure completed and available to an interested buyer before making an offer. If the buyer receives the disclosure after the offer is made, they have 3 days to review the information and withdraw from the contract without penalty. This information must be provided to sellers so they are aware that not providing the disclosure information prior to a buyer making an offer, gives that buyer an unwritten 3-day contingency, after receipt of the required disclosure form.

Disclosure of Adverse and Material Facts

Associates must disclose to consumers all adverse or material facts regarding a property as required by Alaska Statutes and Regulations. An "adverse fact" means a condition or occurrence that is generally recognized by a competent licensee as:

- Significantly and adversely affecting the value of the property;
- Significantly reducing the structural integrity of improvements to real estate;
- Presenting a significant health risk to occupants of the property.

"Material" means any statement, representation or fact relative to a transaction that would affect a reasonable person's decision to enter into an agreement, or the price they would be willing to pay. Written disclosures must be given as soon as is reasonably possible, and always before writing an offer to purchase.

Filing Listing Documentation

Listing contracts and the appropriate supporting forms, (Consumer Relationship confirmation form, MLS profile sheets, seller property condition report, etc.), shall be turned in no later than **3**

working days after execution to the Broker, or person in charge of processing listing information for dissemination.

New Listing Tours

Following the sales meetings, the Associates may make a tour of new listings. The purpose of this tour is to familiarize the Associates with the new listings and to assist them in describing these listings to prospective purchasers. It is equally important for all Associates to show a genuine interest and enthusiasm to the owner of the listed property.

The Broker, or his designated representative, determines tour routing and publishes tour information the day before it takes place, to permit notification to the homeowner and review for any errors of address, price, or location. All Associates, except the Associate on "Office Duty Time" and those who have previously cleared it with the Broker, are expected to participate in the tour of homes. Drivers for the tour of homes are scheduled through the use of a roster to assure equity.

Associates shall not smoke in homes being toured. Any comments made by Associates while in the home should be of a complementary nature only. Constructive comments should be forwarded to the listing Associate.

Security of Listed Property

It is the Associate's responsibility to exert effort and influence to assure that listed properties are secure. Risks associated with lockboxes or virtual tours should be discussed and documented with the sellers. With strangers coming into the house, expensive items should be put away or secured.

Cancellation of Listing Contract

Associates shall not have the authority to cancel a listing contract nor amend the listing contract to provide for an early termination without the written consent of the Broker or their designee. In the event a seller desires to cancel a listing contract, the Associate must notify the Broker. This shall apply regardless of whether the seller's request is verbal or in writing or whether the seller uses the words "cancel," "terminate," "revoke," etc. If the seller's intent is evident, the Associate shall report the request to the Broker or their designee. Such requests from sellers shall, in all cases, be honored.

If the Broker determines that a seller's demand of release from the listing contract is a result of substandard performance on the part of the Associate, the Broker reserves the right to charge the Associate for costs incurred during the period the listing was in effect. If the early termination is for other reasons, the Broker shall make the determination of whether any expense reimbursements or other damages shall be requested from the seller.

Listing Protection

Whenever a listing contract expires per its terms, or is terminated early by the seller, the listing Associate shall prepare and deliver to the seller a list of buyers who have attended individual showings or who have seriously discussed purchase terms with the Associate, or some other licensee involved with a prospective buyer. This list must be personally delivered or mailed to the seller no later than three days after the expiration date or date of early termination. If the Associate later becomes aware that the property is listed with another brokerage, the Associate shall deliver to the other Broker a complete list of names of all buyers who attended individual showings, seriously discussed purchase terms with licensees or the seller, or who submitted

offers during the term of Associate's listing.

Cooperating Compensation

It is the policy of the Broker to offer maximum exposure to its sellers and landlords. Therefore, all listed properties shall be offered to all other buyer or tenant representatives on a cooperative basis, unless otherwise specifically directed by the owner or landlord. The Broker shall establish compensation fees that are appropriate to the marketplace and will lead to a good working relationship with other Brokers.

Buyer/ Tenant Representation

Associate's Capacity as Licensee Representing Buyer

Buyer Representation Agreement – An Associate may, at the request of a buyer, act as a licensee “representing” a buyer. If the Associate is so employed, a "Buyer Representation Agreement" (exclusive or nonexclusive) shall be completed. The provisions of the “Buyer Representation Agreement,” including the terms of the contract and the Broker's compensation, shall be clearly established. The amount and manner of compensation shall be as outlined in the Broker's policy concerning commissions and fees. Duties owed to a buyer in a “represented” status are detailed in Chapter 6, Alaska Real Estate Licensee/ Consumer Relationships. Additional duties must be detailed in writing.

Consumer Relationship Disclosure

Before providing “specific assistance” to a consumer, the Associate must provide the “AREC Consumer Pamphlet” that discusses the different types of consumer relationships available between the licensee and the buyer. If a “Buyer Representation Agreement” has been entered into, the Associate must comply with the following when showing property or requesting information from listing licensees:

Notify the listing licensee upon first contact that the Associate is “representing” a buyer. The offer to purchase must indicate that the Associate “represents” the buyer.

Negotiations

When the Associate is “representing” a buyer, they can expect that the listing licensee may be present on showings or inspections of listed properties. Alaska Statutes require that all information and negotiations concerning a transaction must be communicated to the seller through the listing licensee.

Compensation

Associates “representing” buyers shall be expected to pursue the compensation offered to the selling office through the MLS, any applicable office policy letter agreements, or any specific compensation agreement. At the buyer’s direction, an Associate may write the offer conditioned upon the seller paying the buyer representative’s fee at closing, on behalf of the buyer. The Associate must also pursue this option if there is no compensation agreement in place, unless the buyer is willing to directly pay the buyer's representation fee, in addition to the purchase price.

Listing Cooperation: Sellers and Buyer's Representatives

As listing licensee, the Associate will cooperate with and compensate buyer's representatives who procure a buyer or a contract of sale acceptable to the seller, in accordance with the Broker's commission policy. The Associate shall advise seller that licensees other than the listing licensee

will in most cases be “representing” the buyer. The Associate shall explain the Broker's policy of sharing the commission with buyer's representatives in exchange for procuring a buyer and producing an offer to purchase, acceptable to the seller.

Represented Buyers or Tenants on In-House Properties

In the event a buyer or tenant consumer of the licensee wishes to purchase or lease property listed by the licensee, the Broker may designate one of the Broker's Associates as a “designated licensee” “representing” the buyer or tenant, and another licensee of Real Broker, LLC Alaska as a “designated licensee” “representing” the seller or landlord. The Associates working with these parties must both comply with the necessary disclosures, and provide a copy of the “AREC Consumer Pamphlet” and before providing “Specific Assistance” to them, and obtain a signed document that discloses the relationship between the licensee and the party unless they are exempt. Additionally the licensee will include a statement entitled “Licensee Relationships” in the earnest money agreement between the buyer and the seller on either a separate form or paragraph.

Closing Procedures

Listing Licensee Responsibilities

At the conclusion of every real estate transaction, the licensee shall furnish to each buyer and seller a complete, detailed closing statement showing all of the receipts and disbursements involved in that transaction. The furnishing of a closing statement by an attorney or title company will relieve the licensee of this requirement. A licensee shall not handle the closing of any real estate transaction except under the direct supervision of the broker.

Failed Transactions

The licensee shall immediately notify the Broker or their designee, if an accepted offer has failed. Earnest money shall be disbursed in a proper manner without unreasonable delay.

Attorney at Closing

It is the policy of the broker that licensees recommend to both the buyer and seller, that they seek legal advice from an attorney with respect to their legal questions throughout the negotiation process and transaction, and that an attorney attend the closing to represent their legal interests. Problems often occur that are not necessarily related to title and an attorney is best equipped to solve these problems. Furthermore, many legal burdens are lifted from the licensee when an attorney is in attendance at closing.

Duties and Responsibilities of a Licensee (Agent)

Policy Guidelines and Requirements

A Broker must adopt a written policy that identifies and describes relationships which the Broker and the real estate licensees who work for the Broker may engage with a seller, buyer, lessor, lessee or association. The Broker shall make the written policy available to the Alaska Real Estate Commission and to members of the public on request.

Process for Designating a Licensee

Unless the Broker is the “designated licensee,” the relationship does not extend to the Broker. A Broker may have different “designated licensees” working for a seller/landlord and the

buyer/tenant in same transaction. If required, the licensee giving “specific assistance” or “representing” each respective party will automatically be assigned as their “designated licensee.” Having different “designated licensees” working for each party does not create dual agency or a conflict of interest for the Broker or for a licensee employed by the Broker.

Designated Licensee is Broker

A Broker who “represents” and provides “specific assistance” to a person in a transaction when another licensee, who is working for that Broker, “represents” and provides “specific assistance” for another person in that same transaction is a “designated licensee”. If the other licensee has a question regarding the transaction, the Broker may assign another senior licensee in the brokerage, or a Broker outside the company if necessary, to give any assistance or advice that licensee may require.

Neutral Licensee Not Representing Either Party

This occurs when a licensee does not “represent” either party but provides “specific assistance” to both parties in the same transaction. The parties must authorize the “Neutral Licensee” relationship by signing the "Waiver of Right to be Represented" form. The form can either preauthorize a neutral relationship or it must be signed prior to showing a property.

Duties Neutral Licensee owes:

- Exercise reasonable skill and care
- Deal honestly and fairly
- Present all written communications in a timely manner
- Disclose all material information regarding physical condition of a property
- Account for all money and property received
- Not knowingly do anything that is adverse or detrimental to your interests
- Disclose all conflicts of interest to you in a timely manner
- Advise you to seek expert advice if a matter is outside their area of expertise
- Not disclose confidential information, even after the relationship ends, from or about you, without written permission, except under a subpoena or court order to include:
 - 1) What you are willing to pay or accept for the property
 - 2) What terms you are willing to accept, if different from what you have offered.

Additional Conduct a Neutral Licensee Can Provide if Authorized by Consumer: If authorized by the consumer the "Neutral Licensee" may engage in the following conduct in a good faith effort to assist in reaching final agreement in a real estate transaction:

- Analyzing, providing information on, or reporting on the merits of the transaction to each party
- Discussing the price, terms, or conditions that each party would or should offer or accept; or
- Suggesting compromises in the parties’ respective bargaining positions. The Company Policy regarding conduct, authorized by the consumer as a "Neutral" licensee, is to make a good faith effort to assist in reaching final agreement in a real estate transaction, and get a written document from the consumer outlining what is acceptable to disclose. This can provide protection from a licensee going further than the consumer wants in discussing their willingness to accept terms other than those written in the offer.

Licensee Options: In working with Consumers

- Licensee may “represent” 1 party and provide “specific assistance” to the other consumer as an unrepresented party – similar to the old client / customer scenario.
- Licensee may provide services to someone in a separate transaction, under different licensee relationships if they comply with the laws for each transaction. This includes acting as a “representing” licensee in one transaction, and at the same time not “representing” that party in a different transaction.
- Licensee may, with prior written consent of the parties, be a party to the transaction. • Licensee may, with agreement of both consumers and proper documentation, be a “Neutral Licensee.”

For a single licensee “representing” one party, and working with the other as a customer, the duties the licensee owes to each include:

Duties Licensee owes a customer:

- Exercise reasonable skill and care
- Deal honestly and fairly
- Present all written communications in a timely manner
- Disclose all material information regarding the physical condition of a property
- Account for all money and property received.

Additional Duties Licensee owes someone represented:

- Not knowingly do anything that is adverse or detrimental to your interests
 - Disclose all conflicts of interests to you in a timely manner
 - If a matter is outside licensee’s area of expertise, advise you to seek expert advice
 - Not disclose confidential information, even after the relationship ends, from or about you, without written permission, except under a subpoena or court order
- (The duties 1-5 of both Duties Owed and Additional Duties cannot be waived by the consumer.)

Make a good faith and continuous effort to accomplish your real estate goals. However, once you have entered into a specific real estate transaction agreement, licensee’s efforts refocus on its successful completion.

Alaska Real Estate Commission Consumer Pamphlet

In Alaska, a Real Estate licensee is **required by law** to provide a copy of the Alaska Real Estate Commission Consumer Pamphlet in which the duties of a real estate licensee are outlined. After the Consumer has read the information contained in the pamphlet, they acknowledge receipt of the pamphlet by signing page 2 of the pamphlet and then returning it to the real estate licensee who provided it.

Four different types of relationships established by Alaska Real Estate Law 1. Specific

Assistance – licensee owes "Duties owed by a licensee in all relationships" as described in the pamphlet.

2. Representation – licensee owes "Duties owed by a licensee when representing a party" as described in the pamphlet.

3. Designated Licensee – This occurs when a licensee “represents” or provides “specific assistance” to a party to a transaction and another licensee within the same company “represents” or provides “specific assistance” to the other party in the same transaction.

Neutral Licensee – This occurs when a licensee does not represent either party but provides “specific assistance” to both parties in the same transaction. The parties must authorize the “Neutral” relationship by signing the "Waiver of Right to be Represented" form.

Duties owed by a Licensee in all relationships:

- Exercise reasonable skill and care
- Deal honestly and fairly
- Present all written communications in a timely manner
- Disclose all material information regarding the physical condition of a property
- Account for all money and property received

Unless agreed otherwise –the Licensee has no duty to:

- Investigate person’s financial condition;
- Conduct independent property inspection;
- Independently verify accuracy or completeness of statements by party in transaction reasonably believed reliable; and
- Show or search for properties without compensation

Duties owed by a Licensee when representing a party:

- Duties owed by licensee in all relationships listed above;
- Not knowingly do anything that is adverse or detrimental to consumer’s interests;
- Disclose all conflicts of interests to you in a timely manner;
- If a matter is outside their area of expertise, advise consumer to seek expert advice; ○ Not disclose confidential information, even after the relationship ends, from or about consumer without written permission, except under a subpoena or court order; and make a good faith and continuous effort to accomplish real estate goals. However, once the licensee has entered into a specific real estate transaction agreement, their efforts refocus on its successful completion.