



FARM AND LAND - OFFER FOR REAL ESTATE

(Including Acceptance, Counter, or Rejection)



TIME a.m. p.m. 10/21/2021
DATE OF OFFER

OFFICE USE ONLY:
OFFER ACCEPTED _____

Check all boxes that apply.

I. DISCLOSURE CONFIRMATIONS.

A. AGENCY. By signing below, Buyer and Seller confirm that written disclosures of agency representation were provided to them, they understand who is representing them, and the disclosures were provided prior to signing this Offer For Real Estate.

B. SELLER PROPERTY DISCLOSURE. If this offer is for 1 to 4 unit residential property, Seller or Seller's Agent must deliver a written disclosure statement to Buyer prior to Seller accepting an offer, or counter-offering to Buyer. By signing below, Buyer confirms Buyer (has) (will promptly) received and read Seller's property disclosure statement. If Seller is exempt from providing disclosure under the Code of Iowa, check here .

C. LEAD-BASED PAINT. If this offer is for a residential property built prior to 1978, Seller or Seller's Agent must provide Buyer with: (1) an EPA-approved lead hazard information pamphlet and (2) Seller's Lead-Based Paint Disclosure Information Statement. By signing below, Buyer confirms that Buyer (has) (has not) received and read the above described documents. In the event that Seller is exempt from providing documents under EPA regulations, check here .

D. REQUEST TO COMPLETE FORM DOCUMENTS AND REALTOR® PERMISSION TO CALL. Buyer and Seller request that Broker(s) select and complete documents allowed by law, and authorize REALTOR® /Broker(s) to call, fax, and email residence.

1. _____ BUYER & DATE 1. _____ SELLER & DATE

2. _____ BUYER & DATE 2. _____ SELLER & DATE

II. OFFER TO: _____ Cosson Family Farm LP _____ (herein designated as Seller).

The undersigned _____ (herein designated as Buyer) hereby offer to buy the real property situated in _____ County, Iowa. Located at and briefly described as _____, Iowa, and legally described as:

Please Check one or both
 Polk County - N FR 1/2 of the NE 1/4 & the SE 1/4 of the NE 1/4 of 3-81-24, Polk Co, Iowa
 Story County - The W 1/2 of the SW 1/4 of 35-82-24, Story Co, Ia

_____ hereinafter designated as "Property," together with any easements and servient estates appurtenant thereto and subject to zoning restrictions, restrictive covenants, easements, and mineral reservation, if any, and agrees to pay you for such property the sum of \$ _____ AS FOLLOWS:
 \$ _____ earnest money to be held in trust by _____ (Seller's)

(Buyer's) (both Seller's and Buyer's) Agent, hereinafter referred to as "Broker" or "Agent," pending delivery of final papers and the balance upon delivery of warranty deed or upon execution of a real estate contract as hereinafter provided. The term "Broker" shall also include Broker's affiliated licensees (brokers and salespersons). The terms "Owner" and/or "Seller" shall include seller or vendor. The term "Buyer" shall include buyer or vendee. The terms "sell" and "sale" shall include sale, lease, rent, exchange or option.

Check the appropriate boxes. (A) or (B) or (C) or (D) and if applicable (E)

(A) CASH to be paid on settlement date. This offer is not contingent upon Buyer obtaining financing. Seller has the right to receive verification of funds.

(B) NEW MORTGAGE: This contract is contingent upon the Buyer obtaining a bona fide commitment for a

- Conventional
- ARM
- FHA
- RECD
- VA (In the event of FHA or VA financing, see Addendum -- Offer for Real Estate attached hereto and by this reference made apart of this contract.)
- Other _____

Mortgage for not more than _____ % of the purchase price at _____ % interest rate no later than

Buyers _____, _____ and Sellers _____, _____ acknowledge that they have read this page.
 (Initials) (Initials)



_____. All usual costs incurred in securing such mortgage shall be paid by the _____.
 Seller agrees to pay the loan placement fee, if required, not to exceed _____ % of the mortgage obtained by Buyer. The balance of the purchase price less the proceeds of such mortgage shall be paid by Buyer in cash.

FINANCING COMMITMENT. Buyer agrees to make loan application (if applicable) immediately, or within ____ days, and use Buyer's best good faith effort to obtain a financing commitment. If Buyer has timely made the application as set out herein and a loan commitment (with all lender contingencies met) cannot be obtained by Buyer, this agreement shall be null and void and all earnest money shall be returned to Buyer. Buyer shall immediately confirm insurability of Property.

Financing Contingencies:

- Buyer's delivery of a copy of a written loan commitment to the Seller (even if the commitment is subject to conditions specified by the lender, such as appraisal) shall satisfy the Buyer's financing contingency, and the financing contingency shall be considered removed from this Purchase Contract as of the date of delivery. If Buyer does not make timely delivery of said commitment, as stated, then Seller may terminate this Offer by written notice of termination to Buyer.
- Both parties await appraisal. Appraisal must be completed by: _____
- Awaiting other mutually agreed financing terms which shall be in writing.

(C) **ASSUMPTION OF MORTGAGE OR CONTRACT:** see Addendum – Offer for Real Estate attached and made a part of this contract.

(D) **INSTALLMENT CONTRACT:** see Addendum – Offer for Real Estate attached and made a part of this contract.

(E) **OTHER TERMS/CONTINGENCIES/SPECIAL PROVISIONS (i.e., any subject to sale, etc.):**

1. Subject the farm lease for the 2022 crop year at \$285/acre on 141.99 acres and \$200/acre on 37.61 acres payable \$15,000 on May 8, 2022 and \$32,989.15 on August 28, 2022. Lease will be divided if the properties are split into 79 acres x \$285 /acre on the Story Co and the rest due on the Polk Co tract.
2. Subject to review and any objections or changes of the final contract terms by October 28 by both the Seller's and Buyer's legal counsel.
3. Both the Sellers and/or Buyers have the right to use this sale as part of a 1031 exchange with the other party cooperating.
4. Mark Gannon and Gannon RE represent the Sellers and not the Buyers.

This agreement is also subject to the following terms and conditions:

1. TRUST PAYMENTS. All funds deposited as part payments shall be held by Broker in trust pending acceptance of this offer, and examination of the abstract and delivery of deed or formal contract. Buyer authorizes the company financing this purchase to pay all funds to Broker for the benefit of Seller and Seller authorizes Agent to accept and manage payments and disbursements. At time of settlement, funds of the purchase price may be used to pay taxes, other liens, and closing costs to comply with the above requirements, to be handled under supervision of Broker, and subject to approval of Buyer on title questions which may be needed to produce marketable title. If Buyer is refunded any Earnest Money, any expenses incurred on Buyer's behalf shall be deducted and paid to the creditors entitled.

Interest on Trust Account: If agreed by brokerage and if indicated by "yes in the following space _____, the Earnest Money shall be deposited by the Broker in an interest bearing trust account and the interest earned thereon shall accrue for the benefit of the Seller, Buyer or _____, with interest credited to Social Security# _____ otherwise, the State of Iowa will receive the interest.

2. REAL ESTATE TAXES, SPECIAL ASSESSMENTS, AND CHARGES.

- a. All regular taxes due and payable in the fiscal year in which possession is given are to be paid by Seller as well as all unpaid taxes that are liens for prior years.
- b. All regular taxes for the fiscal year in which possession is given (due and payable in the following fiscal year) are to be pro-rated between Buyer and Seller as of the date of possession. The basis of such proration shall be the taxes that were certified and payable in the prior fiscal year. If such taxes are not based upon a full assessment of the present property improvements the proration shall be based on the current millage rate and the assessed value for the tax period to date of possession shown on the assessor's records, less tax abatement, if any. Buyer should verify any potential future tax liabilities. If Buyer is purchasing under an installment contract see the Farm & Land "Addendum – Offer for Real Estate" attached and made a part of this contract.

Caution: If property has not been fully assessed for tax purposes, or reassessment is completed or pending, tax proration shall be on the basis of \$ _____ estimated annual tax.

c. All special assessments spread on the Treasurer's Books at the time of the acceptance of this offer are to be paid by Seller. All charges for solid waste removal, utilities, and assessments for maintenance attributable to Seller's possession are to be paid by Seller. All liens caused by resolution of necessity, such as mowing, snow removal, etc. are to be paid by Seller.

d. All subsequent taxes and special assessments are to be paid by Buyer.

Buyers _____, _____ and Sellers _____, _____ acknowledge that they have read this page.
 (Initials) (Initials)

- 3. **CLOSING AND POSSESSION.** Closing shall be on or before 4 a.m. or p.m. November 23, 2021 and be made upon delivery of an instrument of title, but not later than date of possession, unless an interim occupancy agreement is entered into between the parties. Closing to be under the supervision of Seller's Agent, Mark Gannon. Possession to be given a.m. or p.m. Subject to farm lease, and adjustment of interest, taxes, insurance and rents to be made on this date. All property, including keys, alarms, and garage door openers shall be delivered to Buyer at possession. Buyer's Agent is N/A.
- 4. **INSURANCE.** Seller shall bear the risk of loss or damage to property prior to settlement or possession, whichever first occurs. Seller agrees to maintain existing insurance, and Buyer shall immediately confirm insurability of Property and may also purchase insurance. In the event of substantial damage or destruction prior to closing, this Agreement may be null and void if Buyer desires. Buyer, however, shall have the right to complete the closing and receive insurance proceeds regardless of the extent of the damage plus a credit towards the purchase price equal to the amount of the Seller's deductible on such policy. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before closing date.
- 5. **FLOOD HAZARD ZONE.** Buyer has been advised that the property (is) (is not) (may be) in an area found to have special flood hazards. If the property is in a flood hazard area it may be necessary to purchase Flood Insurance in order to obtain financing. **For further information, Buyer should consult a lender and insurance carrier.**
- 6. **INCLUDED PROPERTY (if any).** All property that integrally belongs to, are specifically adapted to, or is part of the real estate (except rental items), whether attached or detached, such as wall to wall carpeting and vinyl, light fixtures and bulbs, ceiling fan(s), mirrors, shelving, shades, rods, blinds, awnings, shutters, storm windows, storm doors, screens, plumbing fixtures, sump pump, water heater, water softener, automatic heating equipment, fuel tank, air conditioning equipment (except window), door chimes, alarm devices, built-in items and electrical service cable/fencing, garage door opener and control(s), other attached fixtures, radio and/or attached TV receiving equipment, fencing, trees, bushes, shrubs, plants, garden bulbs, water heaters and softeners, sump pumps, attached or fitted floor coverings, installed security systems, central vacuum systems and accessories, in-ground lawn sprinkler systems and component parts, built in appliances, fences, fireplace screen, fire grate and attached equipment, appurtenant structures or equipment, storage buildings, and rural water membership shall be considered a part of real estate and included in this sale.

OTHER INCLUDED ITEMS, INCLUDING MACHINERY AND EQUIPMENT:

None

EXCLUDED PROPERTY, MACHINERY, EQUIPMENT AND RENTAL ITEMS (i.e. water softener, LP or other gas tank):

None

- 7. **PERSONAL PROPERTY AND DEBRIS.** Seller agrees to remove all debris and all personal property not included herein from the property by possession date unless there is a prior written agreement by the parties.
- 8. **DUTIES OF PARTIES:**
 - a. Seller and Buyer acknowledge and agree that REALTOR®/Broker(s), its affiliated licensees and employees: (1) must respond to all questions of the parties, however they are not required to discover hidden defects or give advice on matters outside the scope of their real estate license; (2) make no, and Seller and Buyer are not relying upon, representations or warranties as to the physical or mechanical condition of the property, its size, value, future value, income potential, whether the basement is waterproof, etc.; (3) are not qualified to advise on questions concerning the condition of the property, the legal sufficiency, legal effect or tax consequences of this document or transaction. **For such matters, Seller and Buyer are advised to consult the appropriate professional(s).**
 - b. Seller and Buyer acknowledge that the Seller of real property has a legal duty to disclose MATERIAL ADVERSE FACTS and MATERIAL DEFECTS of which Seller has actual knowledge and which a reasonable inspection by Buyer would not reveal. **Buyer has the right to obtain inspections, survey and measurements at Buyer's expense.** Buyer shall immediately confirm insurability of Property. Buyer is hereby advised to request that special provisions be written into this contract prior to signing same, to cover any and all conditions which Buyer might consider to be questionable or problematical (whether such be inspection for termites, drainage, water and soil conditions, adequacy of structure or any components, zoning, boundaries, utility connections, or any other matters).
 - c. By acceptance of the Offer, the Seller warrants and represents: That Seller has no notice or knowledge of any planned public improvement which may result in special assessments or other liens, that no government agency has served any notice requiring repair, alterations or corrections of any existing conditions. This representation of Seller shall survive the closing of this transaction.

Buyers _____, _____ and Sellers _____, _____ acknowledge that they have read this page.
(Initials) (Initials)

9. JOINT TENANCY IN PROCEEDS AND IN SECURITY RIGHTS IN REAL ESTATE. If Seller, immediately preceding this offer, holds title to the property in joint tenancy, and such joint tenancy is not later destroyed by operation of law or by acts of Seller, then (1) the proceeds of this sale, and any continuing and/or recaptured rights of Seller in real estate shall be and continue in Seller as joint tenants with rights of survivorship and not as tenants in common; and (2) Buyer in the event of the death of either Seller agree to pay any balance of the proceeds of this sale to the surviving Seller and to accept deed from such surviving Seller.

10. CONDITION OF PROPERTY.

- a. The property as of the date of this agreement including buildings, grounds, and all improvements will be preserved by Seller in its present condition until possession or closing, whichever takes place first, ordinary wear and tear excepted. Buyer shall be permitted to make a walk through inspection of the property prior to possession or closing, whichever is sooner, in order to determine that there has been no material change in the condition of property.
- b. Buyer is advised to have property inspected by professional inspector(s). If improvements on the property have been previously occupied, Buyer may choose one of the following alternatives relative to the condition and quality of the property:
 - i. Within _____ days after the final acceptance date Buyer may, at Buyer's sole expense, have the property inspected by a qualified person or persons of Buyer's choice to determine if there are any structural, mechanical, plumbing, electrical, or environmental deficiencies. Within this same period, Buyer may notify Seller in writing of any such deficiency. Failure to do so shall be deemed a waiver of Buyer's inspection and repair rights and Buyer agrees to accept the property in its present condition. In the event of any claim or demand by Buyer as a result of inspections, Seller shall within 72 hours of notification declare and commence one of the following options: (1) making said items operational or functional or otherwise curing the deficiency, or (2) amending this agreement by giving Buyer a credit for the cost of curing the deficiency, or (3) canceling this agreement and refunding Buyer's earnest money deposit or any sums paid directly to Seller. If Seller does not promptly cure all such deficiencies in a manner mutually agreeable and confirmed by written addendum, signed by the parties (either pursuant to parenthetical 1 or 2 above), then buyer may declare this offer null and void and shall have the right to all payments returned.
 - ii. Buyer has verified any information that is important to Buyer by an independent investigation and/or independent inspector. Further, Buyer acknowledges that Buyer has made a careful and satisfactory inspection of the property and is purchasing the property in its existing condition.
 - iii. Seller has offered Property in its "As-is" condition and Buyer accepts Property in its "As-is" condition. Even if an inspection is conducted, Seller shall not be obligated to replace/repair any item(s) and is not bound to release any Earnest Money or void contract.
- c. If acceptance is made by Buyer after inspection, under b(i) above, or if no inspection is made, or if offered and sold "As-is", Buyer hereby agrees that by delivery of deed, Buyer accepts property in its "As Is" condition at time of settlement, without warranties or guarantees of any kind by Seller or Broker(s) or employees of either concerning the working condition of systems or appliances, or condition or value of the property and waives Buyer's right to object to its condition or assert any claim related to the property at any time in the future. This provision shall survive delivery of deed to Buyer.
- d. **New Construction:** If the improvements on the subject property are under construction or are to be constructed, this Agreement shall be subject to approval of plans and specifications by the parties within _____ days of final acceptance of this Agreement. This offer to buy is not a construction contract. The contract for construction will be a separate agreement between the Contractor and Buyer which will set forth all of the terms, conditions and specifications of the property to be constructed. **Broker(s) and employees make no warranties as to the quality of construction or materials or any warranty of habitability.**

11. WOOD PEST INSPECTION. Buyer may request a pest control inspection by a licensed pest inspector within _____ days after acceptance of this Offer, which shall be done at Seller's or Buyer's expense except as otherwise agreed in writing (if not marked Buyer assumes expense). Should evidence of termites or wood destroying insects be found, the property and structure(s) may be treated by a licensed pest exterminator in an appropriate manner at Seller's option, and shall include all treatment and repair reasonably required by Buyer. Buyer agrees to accept treated and repaired property; or prior to the commencement of treatment and repairs, shall have the option of declaring this agreement null and void and be entitled to full return of the earnest money. If Property is sold in its "As-is" condition, this wood pest inspection paragraph is not applicable to this Offer for Real Estate. This provision does not apply to fences, trees, shrubs, or outbuildings other than garages.

12. WELL TEST. If the property has a well or, the Buyers may, at their expense, within N/A days after acceptance of the offer, have the well or wells inspected by a DNR certified inspector, to determine if the well(s) are working properly. If Buyers receive an unsatisfactory report, which cannot be resolved between the parties within _____ days after receipt thereof, then upon written notice from Buyers to Sellers, this Agreement shall be null and void and all earnest money paid hereunder shall be returned to Buyers. If Property is sold in its "As-is" condition, then this Well Test paragraph is not applicable to this Offer for Real Estate.

Buyers _____, _____ and Sellers _____, _____ acknowledge that they have read this page.
(Initials) (Initials)

- 13. **SURVEY.** Buyer may, prior to closing, have the property surveyed at Buyer's expense. If Buyers elects to have the survey made, Buyer will have the survey completed at least three (3) business days prior to the scheduled closing. If the survey, certified by a Registered Land Surveyor, shows any encroachment on property, or if any improvements located on the subject property encroach on lands of others, such encroachments shall be treated as a title defect.
- 14. **LEASE TERMINATION.** If indicated by "Yes" in the following space _____, it shall be the responsibility of Sellers at Seller's expense to terminate all rights of existing tenants so Buyers shall have sole possession and at closing Sellers shall exhibit evidence satisfactory to Buyers of such termination. Seller shall furnish copies of all leases and agreements between Tenants and Seller and this offer (is is **not**) subject to Buyer approving said leases and agreements by (date) _____ Seller has terminated tenant(s) lease prior to September 1st. (yes) (no)
- 15. **REMEDIES OF THE PARTIES - FORFEITURE - FORECLOSURE - REAL ESTATE COMMISSIONS.**
 - a. If Seller fails to fulfill this agreement, Seller will pay to REALTOR®/Broker the professional service fee (if any) in full as stated in the Exclusive Listing Agreement or other written commission agreement corresponding to the property, and Buyer shall have the right to have all payments returned or to proceed by an action or actions at law or in equity.
 - b. If Buyer fails to fulfill this agreement, Buyer will pay to REALTOR®/Broker the professional service fee (if any) in full as stated within the Buyer Agency Agreement or other written commission agreement, and all payments by Buyer may be forfeited and retained by Seller as provided in the Code of Iowa.
 - c. In addition to the foregoing remedies, Buyer and Seller each shall be entitled to any and all other remedies, or action at law or in equity, including foreclosure, and the party at fault shall pay costs and attorney fees, and a receiver may be appointed.
- 16. **COURT APPROVAL.** If the property is an asset of any estate, trust, conservatorship, or receivership, this contract shall be subject to Court approval, unless declared unnecessary by Buyer. If necessary, the appropriate fiduciary shall proceed promptly and diligently to bring the matter on for hearing for Court approval. In this event a Court Officer's Deed shall be used.
- 17. **ABSTRACT AND TITLE.** Seller shall promptly provide, at Seller's expense, an abstract of title, continued to and including date of acceptance of this Agreement. Such abstract shall be delivered to an attorney selected by the Buyers or Buyer's lender for a title opinion. Seller shall, in the alternative if requested by Buyer of Buyer's lender, provide at Seller's expense a written lien search continued to and including the date of acceptance of this Agreement. Such lien search shall be delivered to a title insurer. Seller agrees to make every reasonable effort to promptly perfect title in accordance with such opinion or title policy so that upon conveyance, title shall be deemed marketable in compliance with this Agreement and the laws of the State of Iowa and, if applicable, the title policy. Seller may await reasonable assurance that Buyer is fully approved by lender or that Buyer will in Seller's judgment proceed with the transaction before updating abstract.
- 18. **DEED.** Upon payment of purchase price, Seller shall convey title by general warranty deed, if not general then _____ deed, free and clear of liens and encumbrances, reservations, exceptions or modifications except as the instrument otherwise expressly provides. All warranties shall extend to time of acceptance of this offer, with special warranties as to acts of Seller up to time of delivery of deed.
- 19. **GENERAL PROVISIONS.** In the performance of each part of this agreement, time shall be of the essence. This agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, assigns and successors in interest of the respective parties. This agreement shall survive the closing. Paragraph headings are for the convenience of reference and shall not limit nor affect the meaning of this agreement. Words and phrases herein, including any acknowledgement hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.
- 20. **NOTICE.** Any notice required under this Agreement shall be deemed delivered when it is received or provided either by hand delivery, facsimile, electronic communication or certified mail. Persons designated for receipt or to give any notice shall be Seller(s) and Buyer(s) at the addresses set forth below or their Broker or Agent. Electronic or facsimile transmission sent to the other party or to the appropriate Broker, followed by electronic or faxed acknowledgement of receipt, shall constitute delivery of signed document.
- 21. **ENTIRE AGREEMENT.** This document contains the entire agreement of the parties and supersedes all prior Offers with respect to the property. This Offer may be modified only by a written agreement signed and dated by both parties. This Offer for Real Estate shall not be assigned by Buyer without the written consent of Seller.
- 22. **MEDIATION.** In the event of a dispute, Buyer and Seller agree to consider mediation as an alternative to initiating legal action. The mediation will be conducted in accordance with the rules and procedures of a mutually agreed mediation service. Even when utilizing mediation, parties may still seek legal remedies.

Buyers _____, _____ and Sellers _____, _____ acknowledge that they have read this page.
 (Initials) (Initials)



AGENCY/POLICY DISCLOSURE AND ACKNOWLEDGEMENT

REQUIRED TO BE PROVIDED TO EACH PARTY IN A TRANSACTION

(Should be presented at earliest possible convenience - must be signed by Seller or Buyer prior to making or reviewing an Offer)



When you enter into a discussion with a Brokerage (and their affiliated real estate licensees) regarding a real estate transaction, you should understand how the Brokerage is representing each party in the transaction. More importantly, you should understand how that agency relationship impacts on your relationship with the licensee. **The term "Broker" or "Brokerage" shall hereinafter refer to: (Brokerage/firm) _____ Gannon RE & Consulting, LC _____, and Brokerage's affiliated licensees (brokers and salespersons). The term "Owner" and/or "Seller" shall hereinafter refer to seller, landlord or optionor. The term "Buyer" shall hereinafter refer to buyer, tenant or optionee. A "Client" is a party to a transaction who has an agency agreement with a broker for brokerage services. A "Customer" means a consumer who is not being represented by a licensee but for whom the licensee may perform ministerial acts.**

A. TYPES OF AGENCY REPRESENTATION AND THE POLICY BROKERAGE MAY ELECT UNDER EACH.

Prior to Buyer or Owner giving confidential information they should understand a variety of representation options exist in real estate transactions. Below is a list of representation options available and the policy Brokerage may elect in regard to each. Brokerage will provide a separate Agreement establishing which agency relationship is offered to Buyer or Owner.

Brokerage has "checked" the appropriate box(es) for the policy that applies to Brokerage:

1. SINGLE SELLER AGENCY. Single Seller Agency exists when Brokerage and Owner enter into a real estate "Exclusive Listing Agreement" and the property is sold to a "Customer" or by a different real estate company. Brokerage and Broker's affiliated licensees' policy is to represent the Owner as a "Client" in this case. **In Single Seller Agency, Broker does not also represent the Buyer in the transaction.**

2. SINGLE BUYER AGENCY. Single Buyer Agency exists when Brokerage and Buyer enter into a "Buyer Agency Agreement" and Brokerage or an affiliated licensee assist Buyer in writing an offer to purchase property and the property is listed with a different real estate company or offered by owner. Brokerage and Broker's affiliated licensees' policy is to represent Buyer as a "Client" in this case. In this type of agency representation Broker may receive compensation for the transaction from the listing real estate company pursuant to a cooperation agreement between the two companies.

In Single Buyer Agency, Broker does not also represent the Owner in the transaction.

3. APPOINTED AGENCY.

- a. **Appointed Seller Agency** exists when Brokerage appoints an affiliated licensee, the listing agent, to act on Owner's (Client's) behalf to the exclusion of all other affiliated licensees of Brokerage.
- b. **Appointed Buyer Agency** exists when Brokerage appoints an affiliated licensee, the selling agent, to act on Buyer's (Client's) behalf to the exclusion of all other affiliated licensees of Brokerage.
- c. **In the event an Appointed Licensee personally represents both Owner and Buyer in the same transaction, that Appointed Agency is considered to be a Consensual Dual Agency (see 4. below).**

4. CONSENSUAL DUAL AGENCY.

- a. When Brokerage (or an Appointed Seller or Buyer Agent, as defined in 3a. and 3b. above) both lists and sells the property, it is the policy of Brokerage and Brokerage's affiliated salespersons to represent both Owner and Buyer as a Consensual Dual Agency. Under this circumstance, before signing an offer to buy or accepting an offer to buy, please see the "Dual Agency Consent Agreement" for detailed information as to the duties of Brokerage to both Owner and Buyer, as well as procedures to be followed.
- b. When Brokerage and Buyer enter into a "Buyer Agency Agreement", whether exclusive or non-exclusive, and Brokerage or an affiliated salesperson assist Buyer in writing an offer to purchase property and the property is also listed with Brokerage, it is the policy of Brokerage to represent both the Owner and Buyer as a Consensual Dual Agency. Under this circumstance, before signing an offer to buy or accepting an offer to buy, please see the "Dual Agency Consent Agreement" for detailed information as to the duties of Brokerage to both Owner and Buyer, as well as procedures to be followed.
- c. Representing more than one party to a transaction can create a conflict of interest since both "Clients" may rely on the Licensee's advice. **Buyer and Owner are not required to consent to dual agency.**

5. SELF REPRESENTATION. If not already in a written Agency Relationship with a brokerage, a person(s), partnership, or company (buying or selling) may represent themselves in a transaction. If a Buyer or Owner elect to represent themselves in a transaction, it is the policy of Brokerage to treat that Buyer or Owner as a "Customer" and not as a "Client". "Clients" are responsible for commission which may be owed as to the terms and conditions of previously agreed contracts. If representing themselves, a Self Representation Agency Confirmation and Acknowledgement shall be completed

Sections "B." through "E.", continued on page 2.

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B. COOPERATIVE BROKERAGE ARRANGEMENTS. Owner agrees that Brokerage may cooperate with and compensate other Brokerages, that Brokerage may utilize its own independent business judgment to determine which brokerages it will cooperate with and the amount of compensation (if any or differing amounts) it will offer differing Brokerages. Broker will disclose to Owner any policy which would limit participation of any other brokerage. On this transaction Brokerage may offer compensation to other Brokerages of up to (\$ _____) or (_____ % percent of gross sale price) or (_____ % percent of gross commission received). If a referral fee is to be paid, a Referral Disclosure will be provided.

C. DUTIES OF A REAL ESTATE LICENSEE TO ALL PARTIES TO THE TRANSACTION.

In providing brokerage services to all parties to a transaction, "Client" and "Customer" alike, a licensee (the Brokerage and its broker associates and salespersons), regardless of the type of agency representation agreed to, shall do all of the following:

1. Provide brokerage services to all parties to the transaction honestly and in good faith.
2. Diligently exercise reasonable skill and care in providing brokerage services to all parties.
3. Disclose to each party all **material adverse facts** (i.e. significant defects or negative circumstances) that the licensee knows except:
 - a. Material adverse facts known by the party.
 - b. Material adverse facts the party could discover through a reasonably diligent inspection and which would be discovered by a reasonably prudent person under like or similar circumstances.
 - c. Material adverse facts the disclosure of which is prohibited by law.
 - d. Material adverse facts that are known to a person who conducts an inspection on behalf of the party.
4. Account for all property coming into the possession of a licensee that belongs to any party within a reasonable time of receiving the property.

D. DUTIES OF A REAL ESTATE LICENSEE TO A CLIENT.

A licensee providing brokerage services to a client, regardless of the type of agency representation agreed to, shall do all of the following:

1. Place the client's interests ahead of the interests of any other party, unless loyalty to a client violates the licensee's duties under provisions of the Iowa Code (such as with Appointed Agency or Consensual Dual Agency) or any other applicable law.
2. Disclose to the client all information known by the licensee that is material to the transaction and that is not known by the client or could not be discovered by the client through a reasonably diligent inspection.
3. Fulfill any obligation that is within the scope of this Agency Disclosure, except those obligations that are inconsistent with other duties that the licensee has under the Real Estate Brokers and Salespersons provisions of the Iowa Code or any other law.
4. Keep their client(s) confidential information confidential unless they have written permission to reveal.
5. Disclose to a client any financial interests the licensee or the brokerage has in any company or business entity to which the licensee or brokerage refers a client for any service or product related to the transaction. The client is not obligated to use any such recommended company, and may select a different company. **NOTE:** Broker/ Licensee (check applicable) has a **financial interest in or an affiliate relationship with the following companies or business entities:**

E. DESCRIPTION OF BROKER'S SERVICES.

Broker may do the following for Sellers and Buyers: (1) Assist Buyer with financing qualification guidelines; (2) Provide helpful information about the property and area; (3) Respond accurately to questions about the property; (4) Disclose all material facts about the property that are known to Broker; (5) Disclose financial qualifications of the Buyer to the Owner; (6) Explain real estate terms and procedures; (7) Explain to Owner and Buyer the benefits of having the property inspected; (8) Explain closing costs and procedures; (9) Help the Owner and Buyer compare financing alternatives; (10) Provide information about comparable properties so Owner and Buyer may make an informed decision on what price to accept and/or offer; (11) Assist with all standard forms, including those that include the necessary protection and disclosures for the Owner and Buyer; and, (12) Work diligently to facilitate the sale and closing. (13) Keep their client(s) confidential information confidential unless they have written permission to reveal. The preceding list of services is not intended to be all inclusive, nor will all services listed be necessary in every case. Licensees are not required to answer questions outside of the scope of their real estate license.

NOTE: Broker neither offers subagency to, nor accepts subagency from, other brokerage companies.

F. GUIDELINES FOR OWNER AND BUYER.

If you are the "Customer" in the transaction, you are advised not to disclose your negotiating position about such things as whether you as Owner would take less than the asking price, or you as Buyer are willing to pay more than the price you offer. Except for information required to be disclosed, if you as either a "Client" or a "Customer", have reason to believe any confidential information, such as your financial status, motivation to sell or buy as well as other personal information will adversely affect your negotiating position, this should not be disclosed to anyone. **Each party to the transaction has the responsibility to protect their own interests.**

