

# COMPENSATION DISCLOSURE IN A REAL ESTATE TRANSACTION

(California Business and Professions Code §10176(g), DRE Reg. 2904)

**NOTE:** A Broker and his agents, when negotiating a real estate transaction, are mandated to disclose to the party they represent (client) the form, total amount, and source of all compensation and economic benefits they anticipate receiving for any service or from any person or provider as a result of their client's entry into a real estate related transaction. This form is used to disclose compensation not disclosed in other documentation held by the client.

**DATE:** \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California.

*Items left blank or unchecked are not applicable.*

## FACTS:

1. This disclosure is made in connection with the following agreement:

- Purchase Agreement     Exchange Agreement  
 Escrow Instructions     \_\_\_\_\_

1.1  of the same date, or dated \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California,

1.2 entered into by \_\_\_\_\_, as the Buyer, and

1.3 \_\_\_\_\_, as the Seller,

1.4 regarding real estate referred to as \_\_\_\_\_.

2. The client represented by the undersigned Broker with regards to the above referenced agreement is the  Buyer,  Seller, or  both Buyer and Seller.

## DISCLOSURE OF COMPENSATION:

3. Broker provides the following information as a disclosure to the client of all compensation and economic benefits to be received as a direct or indirect result of the client's entry into the above referenced agreement and not previously disclosed by Broker and his agents.

Source of compensation (Seller, Lender, etc.)	Form (cash, membership, etc.)	Amount (dollar values)
3.1		\$ _____
3.2		\$ _____
3.3		\$ _____
3.4		\$ _____

4. Other disclosures of direct or indirect compensation or economic benefits may have previously been made, such as exists for controlled business arrangements and conflicts of interest. [See **ft** Forms 519 and 527]

## BROKER:

5. I certify that the above information is true and correct and represents all compensation not previously disclosed that Broker and his agents anticipate receiving in the above referenced transaction.

Date: \_\_\_\_\_, 20\_\_\_\_

Broker's Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

**CLIENT: I have received a copy of this disclosure.**  See attached Signature Page Addendum [**ft** Form 251]

Date: \_\_\_\_\_, 20\_\_\_\_

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

If the source of the compensation is connected to the origination of a loan in the above referenced agreement, the other party to the agreement must also acknowledge receipt of a copy of this disclosure.

**PARTY other than client: I have received a copy of this disclosure.**

Date: \_\_\_\_\_, 20\_\_\_\_

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_