

543B.56A Brokerage agreements — purpose — contents.

1. The purpose of [this section](#) is to promote the protection of the public by establishing minimum standards reasonably expected by the public in reliance upon the professional work product of real estate licensees. The reliance of the public and business community on sound professional opinions and assistance imposes on real estate licensees certain obligations both to their clients and to the public. The purpose of [this section](#) is also to assist in ensuring that licensees' obligations are met including licensees' exercising sound independent business judgment, striving to continuously improve professional business skills and knowledge in the industry, promoting sound and informative real estate reporting, and exercising the highest fiduciary duties to clients and the public.

2. A brokerage agreement shall specify that the broker shall, at a minimum, do all of the following:

a. Accept delivery of and present to the client offers and counteroffers to buy, sell, rent, lease, or exchange the client's property or the property the client seeks to purchase or lease.

b. Assist the client in developing, communicating, negotiating, and presenting offers or counteroffers until a rental agreement, lease, exchange agreement, offer to buy or sell, or purchase agreement is signed and all contingencies are satisfied or waived and the transaction is completed.

c. Answer the client's questions relating to the brokerage agreements, listing agreements, offers, counteroffers, notices, and contingencies.

d. Provide prospective buyers access to listed properties.

e. Review the broker's compensation under the brokerage agreement and conspicuously display a statement that the broker's compensation, fees, and commission are negotiable and not established by law.

3. A brokerage agreement must be signed by both the broker and the client prior to the broker listing any property for sale on behalf of a seller, or before showing a property to a buyer, or if no property is shown to a buyer, before making an offer on a property on behalf of a buyer. [This subsection](#) shall not apply to customers attending an open house.

[2005 Acts, ch 40, §2; 2011 Acts, ch 73, §4; 2024 Acts, ch 1052, §7, 8; 2024 Acts, ch 1072, §5, 6](#)

Referred to in [§543B.5, 543B.61](#)

Subsection 2, NEW paragraph e

NEW subsection 3