

Sec. 08.88.391. Conflict of interest. (a) 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, **“Disclosure of Conflict of Interest.”**

(b) The failure of a licensee to disclose a conflict of interest as required under this section does not give rise to a cause of action by a private person. However, the commission may, under AS 08.88.071, impose a disciplinary sanction for violation of this section.

(c) In this section, "conflict of interest" is when a licensee

(1) has a present ownership or leasehold interest in the property that is the subject of a transaction;

(2) is whole or part owner of a business interest in the property being marketed or considered for purchase or lease;

(3) represents a relative, as defined in AS 08.88.900(a)(19), 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;

(4) receives compensation from someone other than a party to the contract or another party having a financial interest in the transaction; or

(5) receives compensation for community association management while simultaneously engaged as a property manager for a unit within the community association.