

**REAL ESTATE**

**BROKERAGE**

**RELATIONSHIPS**

October 1997

## SELLER'S AGENT

The seller's agent represents the seller only, so the buyer may be either unrepresented or represented by another agent.

The seller's agent is responsible for performing the following duties:

- promoting the interests of the seller with the utmost good faith, loyalty, and fidelity
- protecting the seller's confidences, unless disclosure is required
- presenting all offers in a timely manner
- advising the seller to obtain expert advice
- accounting for all money and property received
- disclosing to the seller all adverse material facts about the buyer that the agent knows
- disclosing to the buyer all adverse material facts actually known by the agent, including the following:
  - environmental hazards affecting the property that are required to be disclosed
  - the physical condition of the property
  - any material defects in the property or in the title to the property
  - any material limitation on the seller's ability to complete the contract

The seller's agent has no duty to:

- conduct an independent inspection of the property for the benefit of the buyer
- independently verify the accuracy or completeness of any statement by the seller or any qualified third party.

## BUYER'S AGENT

The buyer's agent represents the buyer only, so the seller may be either unrepresented or represented by another agent.

The buyer's agent is responsible for performing the following duties:

- promoting the interests of the buyer with the utmost good faith, loyalty and fidelity
- protecting the buyer's confidences, unless disclosure is required
- presenting all offers in a timely manner
- advising the buyer to obtain expert advice
- accounting for all money and property received
- disclosing to the buyer all adverse material facts that the agency knows
- disclosing to the seller all adverse material facts actually known by the agent, including all material facts concerning the buyer's financial ability to perform the terms of the transaction.

The buyer's agent has no duty to:

- conduct an independent investigation of the buyer's financial condition for the benefit of the seller
- independently verify the accuracy or completeness of statements made by the buyer or any qualified third party.

## STATEMENT OF REPRESENTATION

**Do not assume that an agent is acting on your behalf, unless you have signed a contract with the agent's firm to represent you. As a customer, you represent yourself. Any information that you, the customer, disclose to the agent representing another party will be disclosed to that other party. Even though licensees may be representing other parties, they are obligated to treat you honestly, give you accurate information, and disclose all known adverse material facts.**

## TRANSACTION BROKER

The transaction broker is not an agent for either party, so the transaction broker does not advocate the interests of either party.

The transaction broker is responsible for performing the following duties:

- protecting the confidences of both parties, including the following information:
  - the fact that a buyer is willing to pay more
  - the fact that a seller is willing to accept less
  - factors that are motivating any party
  - the fact that a party will agree to different financing terms
  - any information or personal confidences about a party that might place the other party at an advantage
- exercising reasonable skill and care
- presenting all offers in a timely manner
- advising the parties regarding the transaction
- suggesting that the parties obtain expert advice
- accounting for all money and property received
- keeping the parties fully informed
- assisting the parties in closing the transaction
- disclosing to the buyer all adverse material facts actually known by the transaction broker, including:
  - environmental hazards affecting the property that are required to be disclosed
  - the physical condition of the property
  - any material defects in the property or in the title to the property
  - any material limitation on the seller's ability to complete the contract
- disclosing to the seller all adverse material facts actually known by the transaction broker, including all material facts concerning the buyer's financial ability to perform the terms of the transaction.

The transaction broker has no duty to:

- conduct an independent inspection of the property for the benefit of any party
- conduct an independent investigation of the buyer's financial condition
- independently verify the accuracy or completeness of statements made by the seller, buyer, or any qualified third party.