



A Guide To Agency Relationships

I. TYPES OF AGENCY

Seller/Lessor Agency: As a representative of the seller or lessor, both the licensee and all affiliated licensees within the brokerage are dedicated solely to the seller's or lessor's interests. They are required to prioritize the seller's or lessor's best interests while maintaining confidentiality regarding any disclosed private information. However, the licensee is obligated to disclose any known material defects concerning the property.

Buyer/Lessee Agency: As a representative of the buyer or lessee, both the licensee and their brokerage are committed solely to serving the buyer's or lessee's best interests. They must prioritize the buyer's or lessee's needs while maintaining the confidentiality of any disclosed private information. However, the licensee is required to disclose any known material defects related to the property.

Dual Agency: Dual Agency occurs when a single brokerage represents both the seller and the buyer in the same transaction.

- a. **Disclosed Limited Dual Agency** - Licensees acting as disclosed limited dual agents are required to remain neutral and cannot advocate for either client in the transaction.
- b. **Disclosed Designated Dual Agency** - Licensees acting as disclosed designated dual agents are appointed by the broker, with one licensee representing only the seller's interests and another representing only the buyer's interests. In this arrangement, the broker serves as a disclosed dual agent.

Customer Without Representation: Occasionally, in a real estate transaction, an individual may choose not to have representation from a licensed agent while still engaging with one. This individual is referred to as an unrepresented party (customer). A licensee is required to treat an unrepresented party (customer) with honesty and fairness. However, an unrepresented party (customer) is neither a client nor a potential client. If you decide to proceed as an unrepresented party (customer) in a listing agreement or purchase transaction, it is important to take steps to safeguard your own interests. Keep in mind that if the other party has a licensee representing them, you may be at a disadvantage due to that licensee's expertise and experience in the transaction.

II. Collaborating with Real Estate Teams

Real Estate Teams: Teams are comprised of multiple licensees working together under the same principal broker, with a team leader at the helm. They present themselves to the public using a common authorized alternate or assumed name for branding, advertising, and conducting real estate transactions. A team is not an independent entity and operates under the principal broker and agency law, meaning they cannot present themselves as a separate brokerage offering real estate services. If you decide to work with a team, be sure to clarify which specific licensee is representing you in the transaction.



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III. SERVICE EXPECTATIONS

Customer level Responsibilities owed to either a seller/lessor or buyer/lessee when collaborating with a real estate professional include:

- Carry out the essential and typical actions to support you in buying or selling property.
- Execute these actions with integrity, trust, reasonable expertise, and diligence.
- Accurately manage any funds or property entrusted to the real estate brokerage's care and responsibility.
- Reveal all significant facts that the licensee is aware of.

Client level owed to either a seller/lessor or buyer/lessee when engaging with a real estate professional include:

- Fulfill the terms outlined in the written agreement.
- Apply reasonable skill and care in all actions.
- Act in good faith, honesty, and fairness to promote your best interests.
- Keep your information, including negotiation details, confidential, even after the relationship ends.
- Accurately manage any money or property entrusted to the real estate brokerage's care.
- Help you negotiate a fair price and acceptable terms for the transaction.
- Disclose all material facts known to the licensee.
- Be available to receive and present written offers and counteroffers on your behalf.

Consumer Signature

Date

Consumer Signature

Date

Licensee Signature

Date

___ Check here if team names are attached.