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Want to
contact
the
Victoria Real
Estate Board?

Address:
3035 Nanaimo St.
Victoria, BC
V8T 4W2

Telephone:
(250) 385-7766

Fax:
(250) 385-8773

E-mail:
vreb@vreb.org

WHAT YOU CAN EXPECT FROM YOUR REALTOR

Your REALTOR, as your agent, has your best interests at heart

The word “agent” is defined as “a person who acts for another.” It sounds so simple, doesn’t it? We all “act for another,” formally or informally, on a daily basis. In fact, it’s so easy to slip into an “agency relationship” that people sometimes forget that it involves serious legal responsibilities.

A REALTOR is someone who acts as an agent for another in a real estate transaction. An agent can act for the buyer or for the seller — or, to a limited degree, for both. But no matter whom they represent, agents and their representatives are legally obligated to protect and promote the interests of their clients as they would their own. Specifically, a real estate agent commits to:

- **Provide undivided loyalty.** The agent must protect the client’s negotiating position at all times, and disclose all known facts which may affect or influence the client’s decision.
- **Keep the confidences of the client.**
- **Exercise reasonable care and skill** in performing all assigned duties.
- **Be accountable** for all money and property placed in the agent’s hands while acting for the client.

AGENCY DISCLOSURE

It is now a lawful requirement for real estate agents to disclose to customers whom they will be representing. This disclosure is usually done with the aid of a blue brochure entitled *Working with a Real Estate Agent*. The brochure includes a tear-off statement that the customer signs and the REALTOR retains as proof that disclosure was made. Signing the statement does *not* obligate the customer in any way. Having explained to the customer the various agency relationship options available to him or her, REALTOR and client can now determine what services are to be rendered.

Seller’s agent

The agent for the seller, or listing agent, is the role we are most familiar with, thanks to the immense marketing clout of the Multiple Listing Service® over the past 40 years. The seller retains a real estate agent to use his or her marketing expertise and network to position the property to its best advantage on the market, attract qualified buyers and effect a sale at the highest price. In theory, the agreement to act as seller’s agent can be a handshake agreement, but to list the property on the Victoria Real Estate Board’s Multiple Listing Service®, the Board requires a listing contract be filled in, signed and submitted.

Buyer’s agent

The buyer can benefit from an agent’s representation, too. The buyer’s agent uses his or her knowledge of the community and the market to source all of the properties that fit the buyer’s budget, needs and wants. He or she promotes the buyer’s interest in purchase negotiations to effect a sale at the lowest price. The agreement to act as a buyer’s agent can be a handshake agreement or a contractual one as mutually decided by agent and client. If it is a handshake agreement, the REALTOR still abides by the tenets of agency representation as mentioned above: loyalty, professionalism, accountability, discretion, etc. The REALTOR works hard to maintain the client’s loyalty.

Dual agent

What happens when an agent who is working as a buyer’s agent shows the buyer a home for which he or she is also the listing agent? Since the agent has promised a duty of confidentiality, loyalty and full disclosure to both parties simultaneously, it is necessary to limit these duties in this situation, and gain the consent of both parties to continue in this limited capacity. This is called a dual agency relationship.



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The agent will ask for written consent of both parties to continue in a dual agency relationship, with these limitations:

- The agent will deal with both parties impartially.
- The agent will not disclose to either party any information he may have been privy to in regard to either party's "bottom line."
- The agent will not disclose the motivation of either the buyer or the seller, or any personal information, unless authorized to do so, preferably in writing.

A REALTOR can represent you as a listing agent while you're selling your house, and as buyer's agent as you shop for your next home... often simultaneously. Some REALTORS choose to just offer buyer agency or seller agency, but many others prefer to build client relationships rather than agent relationships. REALTORS often encourage clients to keep in touch during the years between changes in residence. They are available for a quick chat on the market, for an interpretation of industry trends and changes, and to answer questions that come up regarding real estate, your tax assessment, housing options for family members, etc.

WHAT TO LOOK FOR IN AN AGENT

The key word is "expertise." Look for it in a number of areas:

- Look for open, up-front discussion on agency responsibilities and services. Your agent should clarify the options and details of the transaction, not confuse you.
- Look for market knowledge and product knowledge: an understanding of economic trends and the real estate industry — on a local level, and on a national and provincial scale as they pertain to your situation. Look for experience in assessing the investment value of property and housing types.
- Look for someone who knows the neighbourhood: your REALTOR's suggestions on the best shopping and services can make your assimilation in a new neighbourhood that much easier.
- Look for experience in serving the needs of both buyers and sellers. When you're making one of the most important investment decisions of your life, you want someone working for you who has many years of experience helping people be successful.

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