

Transcript Script for *Working with Real Estate Agents* – SELLER Video

Are you considering hiring a real estate agent to assist you with the sale of your property? Here at the Real Estate Commission, we want you to understand the different ways you can work with an agent when selling your property and the services the agent can provide.

You have several choices about how a real estate firm and its agents will work with you. For example, you may want them to represent only you as a seller's agent -- also known as a listing agent. Or, you may be willing for them to represent both you and the buyer at the same time, as a dual agent. You may also choose to sell the property yourself and to work with agents who represent only the buyers.

Whether you choose to work with a listing agent, dual agent, or buyer's agent, that agent must treat you honestly and fairly, and tell you about any "material facts" the agent knows about, or should know about, that could influence your decisions in the transaction.

The Real Estate Commission has developed a Disclosure Form called *Working with Real Estate Agents* to help you better understand what a real estate agent's duties are, and who they work for in your transaction. The Real Estate Commission requires every real estate agent to review this Disclosure Form with you and to ask you to sign it before receiving any confidential information from you or assisting with your sale.

The *Working with Real Estate Agents* Disclosure is not a contract. Signing it does not obligate you to work with the agent who has presented it to you. Your signature is just an acknowledgement that you have received the Disclosure Form.

Once you have a signed listing agreement with a listing firm, the firm's agents may not give certain confidential information about you to any buyers or buyers' agents without your permission. Confidential information includes your motivation for selling or your negotiation strategy. For this reason, don't tell the agent anything that you don't want a buyer to know until you enter into a listing agreement.

Some of the things you'll have to address in the listing agreement are the listing price for your property, the firm's compensation, and the duration of your listing agreement. The listing agreement will explain the firm's duties to you and your duties to the firm in the sale of your property.

So what are the duties of a seller's agent? First, the firm and its agents must promote your best interests ahead of all others. They must be loyal to you, follow your lawful instructions, and provide you with any material facts that could influence your decisions. Your agent must

account for any money received on your behalf, give you all written offers, and tell you about all the terms of any oral offers.

Your listing firm and its agents will help you price your property, advertise and market it, and, negotiate the best possible price and terms for the sale. They will review all offers with you. And, they will provide you with all required disclosure forms that you'll need to complete and provide to prospective buyers.

Agents must also use reasonable skill, care, and diligence to discover all material facts about your property. They are required by law to disclose those facts to prospective buyers, even if you don't want them to, and even if you choose not to report those facts on any disclosure statements yourself.

You will be asked to indicate on the agreement if the firm you're hiring will be allowed to participate in dual agency. "Dual Agency" is when the firm that represents you represents the buyer at the same time. This is most likely to happen if another agent in the firm where you list your property is working with someone who wants to buy your property. In a dual agency situation, the firm and its agents owe identical obligations to you **and** the buyer rather than being obligated to only represent your interests. Because of this, your agent may lose their ability to advise, counsel, or advocate for either party.

Some firms may offer a type of dual agency called "Designated Dual Agency." This is where one agent within the firm is designated to represent only you, and another agent within the firm is designated to represent only the buyer. Neither agent should have confidential information about the other party at the time of designation. This type of dual agency allows you and the buyer to be more fully represented because it allows your agent to advise you and to negotiate and advocate for you.

For more information about the duties and responsibilities of real estate agents, you may also want to review the Commission's brochure: *Questions and Answers on Working with Real Estate Agents*. Visit the Real Estate Commission's website at ncrec.gov where you can find the *Working with Real Estate Agents* Disclosure Form and the "Q&A" brochure under the Publications tab. And for any questions, give us a call.