as a buyer’s agent without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Be sure to read and understand any agency agreement before you sign it. Once you sign it, the agent must give you a copy of it.

Services and Compensation: Whether you have a written or unwritten agreement, a buyer’s agent will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have a written agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A buyer’s agent can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Or the agent may seek compensation from the seller or listing agent.

For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement is spelled out in a buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally.

Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called “designated agency” where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each “designated agent” to more fully represent each party.

If you choose the “dual agency” option, remember that since a dual agent’s loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the dual agent • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

Dual Agent

You may permit an agent or firm to represent you and the seller at the same time. This “dual agency relationship” is most likely to happen if you become interested in a property listed with your buyer’s agent or the agent’s firm. If this occurs and you have not already agreed to a dual agency relationship in your written or oral buyer agency agreement, your buyer’s agent will ask you to amend the buyer agency agreement or sign a separate agreement or “subagent”). The agent can still help you find and purchase property and provide you with current market information. But remember, the agent represents the seller—not you—and therefore may not to obtain for the seller the best possible price and terms for the seller’s property. Furthermore, a seller’s agent is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property.

Agents must tell you in writing if they are sellers’ agents before you say anything that can help the seller. But until you are sure that an agent is not a seller’s agent, you should avoid saying anything you do not want a seller to know.

Sellers’ agents are compensated by the sellers.

Disclosure of Seller Subagency

(Complete, if applicable)

71 When showing you properties and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see “Seller’s Agent Working with a Buyer” in the brochure.

Agent’s Initials Acknowledging Disclosure:

(Note: This brochure is for informational purposes only and does not constitute a contract for service.)

The North Carolina Real Estate Commission
P.O. Box 17300 • Raleigh, North Carolina 27619-7100
919/875-7700 • Web Site: www.ncrec.gov
NEC Rec 242 3/1/12
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SELLERS

Seller’s Agent

If you are selling real estate, you may want to “list” your property for sale with a real estate firm. If so, you will sign a “listing agreement” authorizing the firm and its agents to represent you in your dealings with buyers on your seller’s agent’s behalf. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

Duties to Seller:
The listing firm and its agents:

- promote your best interests
- be loyal to you
- follow your lawful instructions
- provide you with all material facts that could influence your decisions
- use reasonable skill, care and diligence
- account for all monies they handle for you.

The listing firm and its agents must treat buyers and sellers fairly and equally. Nevertheless, a dual agent and its agents must treat buyers and sellers fairly and equally. Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called “designated agency” where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each “designated agent” to more fully represent each party.

If you choose the “dual agency” option, remember that since a dual agency is divided between parties with competing interests, it is especially important that you have a clear understanding of what your relationship is with the dual agent and what the firm will be doing for you in the transaction.

BUYERS

When buying real estate, you may have several choices as to how you want to deal with a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a buyer’s agent). You may be willing for them to represent both you and the seller at the same time (as a dual agent). Or you may agree to let them represent only the seller’s (also a buyer’s agent or subagent). Some agents will offer you a choice of these services. Others may not.

Buyer’s or Seller’s Agent

Duties to Buyer:

If you agree to let the real estate firm and its agents to represent you, they must:

- promote your best interests
- be loyal to you
- follow your lawful instructions
- provide you with all material facts that could influence your decisions
- use reasonable skill, care and diligence
- account for all monies they handle for you.

The listing firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time without a written agreement.

FOR BUYER/SELLER

Agent Name
Licence Number

Disclosure of Seller Subagency

When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see “Seller’s Agent Working with a Buyer” in the brochure.

Buyer’s Initials Acknowledging Disclosure: [ ]