

Working With A Real Estate Agent

For Use By REALTOR® Members Of The
Nova Scotia Association of REALTORS®

Working with a Real Estate Agent



**An explanation of the relationship
between you and a REALTOR®**

*Approved by the
Nova Scotia Real Estate Commission*

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Responsibilities of Buyers or Sellers

As a Buyer or Seller you should carefully read all documents and understand what you are signing. If you need specialized advice, seek other professionals such as lawyers, notaries, accountants, home inspectors, contractors, engineers and surveyors.

Definitions

The **Brokerage (Agent)** is the real estate company under which the individual Salesperson is licensed.

REALTOR® refers to a member of the Canadian Real Estate Association who is licensed under the Real Estate Trading Act to trade in real estate. **Association/Board** is NSAR or a member Board of NSAR.

The **Buyer** is often referred to as the Purchaser.

The **Seller** is often referred to as the Vendor.

The **Principal** is someone who has engaged an Agent to act for and on his or her behalf either to buy or sell a home.

This pamphlet serves two purposes:

(i) The pamphlet has been designed to explain various types of agency relationships and to help you understand what it all means.

(ii) The pamphlet explains the need for your informed consent for the collection, use and retention of personal information.

If you are still unclear about any of the information contained in this pamphlet, feel free to seek legal counsel.

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Privacy

REALTORS® recognize and respect the privacy expectations of today's consumers and the requirements of applicable federal law. REALTORS® believe that making you aware of how we use your personal information and to whom it is disclosed will form the basis of a relationship of trust between your REALTOR® and the public that we serve. The collection, use and retention of personal information requires your informed consent.

Seller

The Seller consents to the collection, use and disclosure of personal information by the Broker for the purpose of listing and marketing the property including, but not limited to:

- (i) listing and advertising the property, using any medium including the Internet;
- (ii) disclosing property information to prospective Buyers, Brokers, Salespersons and others who may assist in the sale of the property;
- (iii) such other use of the Seller's personal information as is consistent with listing and marketing of the property.

The Seller consents to placement of the listing and sales information by the Broker into the database of the appropriate MLS® system. The Seller consents that such listing and sales information shall survive the expiry date of the listing contract or the sale date of the property. The Seller further acknowledges that the Association/Board may:

- (i) distribute the information to any persons authorized to use such service which may include other Brokers, government departments, appraisers, municipal organizations and others;
- (ii) market the property, at its option, in any medium, including electronic media;
- (iii) compile, retain and publish any statistics including historical MLS® data, which may be used by licensed members of the Association/Board to conduct comparative market analysis and for other listing and marketing purposes, in accordance with the MLS® rules and regulations of the Association/Board; and
- (iv) make such other use of the information as the Association/Board deems appropriate in connection with the listing, marketing and selling of real estate.

Privacy Continued

Buyer

The Buyer consents to the collection, use and disclosure of personal information by the Broker for such purposes that relate to the real estate services provided by the Broker to the Buyer including, but not limited to:

- (i) locating, assessing and qualifying properties for the Buyer;
- (ii) advertising on behalf of the Buyer;
- (iii) providing information as needed to third parties retained by the Buyer to assist in a transaction (e.g. financial institutions, building inspectors, etc....); and
- (iv) such other use of the Buyer's information as is consistent with the services provided by the Broker in connection with the purchase or prospective purchase of the property.

The Buyer agrees that the sale and related information regarding any property purchased by him through the Broker may be retained and disclosed by the Broker and/or the Association/Board for reporting, appraisal and statistical purposes.

The Agency Relationship

REALTORS® work within a legal relationship called agency. The agency relationship exists between you, the Principal and your Agent, the Brokerage under which the individual Salesperson or Broker who is representing you, is licensed. The essence of the agency relationship is that the Brokerage has the authority to represent the Principal in dealings with others.

Brokers and their Salespeople are legally obligated to protect and promote the interests of their Principals as they would their own. Specifically, the REALTOR® has the following duties:

- 1) To protect the Principal's negotiating position at all times, and disclose all known facts which may affect or influence the Principal's decision (undivided loyalty).
- 2) To obey all lawful instructions of the Principal.
- 3) To keep the confidences of the Principal.
- 4) To exercise reasonable care and skill in performing all assigned duties.
- 5) To account for all money and property placed in a Licensee's hands while acting for the Principal.

You can expect competent service from your REALTOR®, knowing that he/she is bound by ethics and the law to be honest and thorough in representing a property listed for sale. Both Buyer and Seller can be represented by their own Agents in a single transaction.

Limited Dual Agency

Dual agency occurs when a real estate Brokerage is representing both the Buyer and the Seller in the same transaction. Since the Brokerage has promised a duty of confidentiality, loyalty and full disclosure to both parties simultaneously, it is necessary, if both parties consent, to limit these duties in this situation.

If you find yourself involved in a dual agency relationship, both you and the other party will be asked to consent in writing to this new limited agency relationship before making or receiving an offer.

This relationship involves the following limitations:

- a) The Brokerage will deal with the Buyer and the Seller impartially;
- b) The Brokerage will have a duty of disclosure to both the Buyer and the Seller except that:
 - i) the Brokerage will not disclose that the Buyer is willing to pay a price or agree to terms other than those contained in the offer, or that the Seller is willing to accept a price or terms other than those contained in the Listing;
 - ii) the Brokerage will not disclose the motivation of the Buyer to buy or the Seller to sell unless authorized by the Buyer or the Seller;
 - iii) the Brokerage will not disclose personal information about either the Buyer or the Seller unless authorized in writing to do so;
- c) The Brokerage will disclose to the Buyer defects about the physical condition of the property known to the Brokerage.
- d) The Brokerage may disclose all comparable property information to the Seller and the Buyer at any time.
- e) The Brokerage will not be required to disclose to the Buyer or Seller confidential information obtained through any other existing or former agency relationship.

When There is No Agency Relationship

You may also choose to use the services of a REALTOR® without having any kind of agency relationship. This might occur, for example, when you are being shown a property by the Seller's Agent.

The REALTOR® you choose to work with in this manner has a legal and ethical duty to provide you with accurate and honest answers to your questions and can provide you with all of these services:

- Explain real estate terms and practices
- Provide and explain forms used
- Assist you in screening and viewing properties
- Inform you of lenders and their policies
- Identify and estimate costs involved in a transaction
- Assist you in establishing your range of affordability
- Prepare offers or counter offers at your direction
- Present all offers promptly

A REALTOR® who is not representing you cannot:

- Recommend or suggest a price other than that given by the Seller
- Negotiate on your behalf
- Inform you of his/her Principal's top/bottom line
- Disclose any confidential information about his/her Principal unless otherwise authorized to do so

You should not provide a REALTOR® who is not your Agent with any information that you would not provide directly to his or her Principal.

Your Relationship with a REALTOR®

Buying or selling a home is probably the most important and potentially rewarding financial transaction you'll make in your life. So it's a good idea to take a moment and consider the kind of relationship you might be entering into with a REALTOR®. The more you know, the more satisfied you'll be with the results.



I acknowledge having received and read the brochure "Working With A Real Estate Agent". I understand the various types of relationships that may occur between a REALTOR® and me. I further understand that I will be signing additional documentation acknowledging the type of agency that I receive.

I also consent to the collection, use and disclosure of personal information by the Brokerage for such purposes that relate to the real estate services provided by the Brokerage to me, as outlined in this brochure.

Salesperson _____

Brokerage (Company) _____

Signature (Please also print name)

Signature (Please also print name)

Date _____

Note: This panel is to be detached and retained