Questions and Answers on: Working with Real Estate Agents

Q: What happens if I want to be a property listed by the same firm or agent that represents me?
A: You may permit an agent or firm to represent you and the seller at the same time. This would mean that the real estate agent (or all of the agents and their firms) would be acting as a dual agent. A dual agent is defined as representing the seller and the buyer by the same firm or firm acting under the company of the same ownership. A dual agent must be able to explain to you the authority that you have as a buyer and must always act in your best interest. Furthermore, a dual agent must provide you with a dual agent agreement that you must sign. The dual agent agreement must indicate the duties and responsibilities of the dual agent and how they will act in your behalf. It must also include the duties and responsibilities of the broker and the firm that the dual agent is working for. If you are not able to reach an agreement with the dual agent, you may consult your own attorney or simply wait until the agreement expires.

Q: Can I buy real estate without being listed on a real estate agent?
A: Yes. A real estate agent is a contract between a buyer and seller. Most real estate agents do not have the authority to terminate a contract without the consent of the other party. Generally, a party cannot terminate an agreement without the consent of the other party. If you and the other party cannot agree to terminate the agreement, then you may consult your own attorney or simply wait until the agreement expires.

Termination of Agency Agreements

Q: If I have a real estate agent who represents me, can I terminate the agency agreement before it expires?
A: Yes. If you are not under contract to buy a property when your buyer agent terminates the agreement, then you both should sign a written agency termination agreement. If the agent asks for compensation in exchange for termination the agreement, then you can agree or disagree. Unless you agree otherwise, seller’s agents are not allowed to terminate agency agreements in exchange for termination the agreement. If the agent is able for compensation in exchange for terminating the agreement, then you can agree or disagree or try to negotiate the amount of compensation. If an agency agreement contains a penalty or fee for early termination, the prevailing stipulation of the penalty or fee must be set forth in a clear and conspicuous manner. If you are not able to reach an agreement on the termination of the agency agreement, then you may consult your own attorney or simply wait until the agreement expires. The Real Estate Commission does not have the authority to terminate agency agreements or to force a real estate agent to terminate an agreement. (Note: This brochure is for informational purposes only and does not constitute a contract for service.)
Questions and Answers on: **WORKING WITH REAL ESTATE AGENTS**

When buying or selling real estate, you must understand the roles of real estate agents and agree to the principles of excellence, fairness, and respect for all people. It is your goal to ensure that brokerage activities are conducted in fairness to all and to avoid any discrimination in the sale or rental of all real estate.

In residential sales and rental transactions, agents must comply with the Fair Housing Act which prohibits discrimination on the bases of race, color, religion, national origin, handicap, or familial status of any party or prospective buyer. For more information on the NC Fair Housing Act, visit the website or call the Equal Rights Division-discrimination.

**What does the word, “agency,” mean?**

The relationship between a real estate agent and the buyer or seller who hires the agent is known as an agency relationship, because the real estate agent acts on behalf of (as an agent for) the buyer or seller (the “principal.”) As an agency relationship, the agent has certain duties and responsibilities to the client.

**What is an agency agreement?**

An agency agreement is a written contract between you and the real estate agent authorizing the firm and its agents to represent you. The agreement between buyers and agents is typically called a “Buying Agent Agreement.” An “Agency Agreement” is to sell a house or sell the house to the other party. Although each dual agent owes both their buyer and seller the duty to act as agents for both you and the buyer. Any agreement between buyers and agents from dual agency.

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