

MAINE REAL ESTATE COMMISSION
NEW LAWS AND RULES CORE COURSE
APPROVED MAY 2006

Maine Real Estate Commission - New Laws and Rules Core Course
Supplement to Working with a Buyer Graph

A Day in the Life of a Transaction Broker (what a transaction broker can and cannot do when working with a buyer):

MAY

- Ask the buyer about the buyer's wants and needs
- Direct the buyer to a lender to be pre-qualified
- Give the buyer blank brokerage-related forms to review
- Use the multiple listing service or other resources to find properties
- Set up showings
- Show properties but **not** offer advice, **not** offer analysis
- Respond to buyer questions with factual information about the property and neighborhood; **not** offer information
- Disclose observed defects in the property but **not** investigate or analyze
- **No** disclosure of material facts – agent level duty owed to a client
- Deliver property disclosure form to buyer
- Deliver arsenic form to buyer
- Deliver lead paint form to buyer
- Provide the buyer with Comparable Market Data (CMD) but not a Comparable/Competitive Market Analysis (CMA)
- Write up offer but **not** advise about price, terms, conditions, or negotiating strategy
- Provide contingencies as dictated by buyer but **not** advise on strategy
- **No** recommendations on inspections or contingencies
- Present offers and counter offers in a timely manner
- Once under contract, monitor dates for compliance
- If buyer has a bad inspection, give options but **no** advice
- Can refer buyer to other professionals, as necessary
- **No** duty to verify any disclosure information *HOWEVER* ↘
- If mandatory property disclosure information is incomplete, shall obtain information to comply with MREC minimum property disclosure rules
- Present and review MREC Offer/Counter Offer Guidelines
- Get buyer to closing prepared to close by providing ministerial acts without advice (insurance binder, etc)
- At closing; make sure HUD-1 reflects the transaction; correct prorations, etc.
- **No** duty of confidentiality but may **not** disclose confidential information if disclosure would promote interests of one party over the other party

Transaction broker may NOT

- Give advice
- Analyze, inspect or investigate the property for the benefit of any party
- Investigate issues either on the property or off the property for the benefit of any party
- May provide Comparable Market Data (CMD) but not Comparable/Competitive Market Analysis (CMA)
- Advise any party on price, terms, conditions *NO CMA*
- Advise any party on negotiating strategy
- Verify the accuracy or completeness or oral or written statements made by the seller or buyer or any 3rd party
- Promote the interests of one party over the interests of the other party
- No duty of confidentiality except you cannot use the information to promote the interest of either party.