

Glossary of Real Estate Brokerage Relationships

IN OUR STATE,

Real Estate brokers and their salespersons are required to disclose the type of working relationship they have with the buyer or seller in a real estate transaction. There are two types of relationships that are available to you. You should understand these at the time a broker provides specific assistance to you in buying or selling real estate. In Oklahoma, you must decide to work with your Realtor as either a Transaction Broker or a Single Party Broker. This is commonly referred to as “Brokerage Relationships”. Each type of relationship carries with it legal duties and responsibilities for the broker. For detailed information on these duties see the Broker Relationship Disclosure included in your buyer or sellers packet.

TRANSACTION BROKER

A Transaction Broker means a broker who provides services by assisting a buyer or seller in a real estate transaction without being an advocate for the benefit of that person. However, a Transaction Broker owes duties to the buyer and seller which include confidentiality, honesty, and due diligence. Since the broker is not working under the specific direction of the buyer or seller or for their benefit they cannot be held responsible for the acts of the Broker. Until an agreement is signed requesting otherwise, the broker must act as a Transaction Broker.

SINGLE PARTY BROKER

A Single Party Broker means a broker who has entered into a written agreement with a buyer or seller to provide services for their benefit in a transaction. As a Single Party Broker the broker still has the same obligations of honesty, confidentiality and due diligence but also must obey the specific directions of the party they are working for as long as it is not contrary to applicable statutes and rules or the terms of the contract. Also, a Single Party Broker must perform all brokerage activities for the benefit of the person they are working for, unless prohibited by law.

The buyer or seller can be held legally responsible for the actions of the Single Party Broker under the terms of the Oklahoma Broker Relationships Act.

In order to receive the services of a Single Party Broker you must first sign a Buyer Services Agreement, which sets forth the duties and obligations of the parties. A Brokerage cannot be a Single Party Broker for people on both sides of the same transaction. If this situation occurs, both sides will be asked to change to a Transaction Broker Relationship.