



The Only Name You Need to Know in Real EstateSM

Buyer's Notes

Agency and Representation

The term “real estate agent” is not simply a classy name for a “salesperson.” Rather, the term “agent” applies to a person who is legally empowered to act on another’s behalf. In so doing, an agent owes certain obligations to his/her “principal,” the person for whom they are acting. Agents have the legal obligation to put the interests of their principals ahead of their own and ahead of the interests of other parties to a transaction. Under Minnesota law, a real estate agent owes his/her principal the following obligations: **loyalty, obedience, disclosure, confidentiality, reasonable care and accounting.**

Although our first responsibility is to our principals, we must also take great care to ensure that all other parties to transactions are dealt with fairly and honestly.

We establish this legal relationship through a contract that imposes responsibilities on you, as our client and principal, as well. We’ll explain these responsibilities to you.

We take our responsibility to represent you very seriously – not only because it’s the law, but also because it fits with our business philosophy. If we do our job right, everyone should leave the closing table feeling that they have done the right thing and you will readily recommend us to your friends and family.

Dual Agency

“Dual agency” is legally created when we as agents represent both seller and buyer and also when agents of our broker, Keller Williams Integrity Realty - Roseville, represent both parties. This happens fairly frequently. When it does, such a legal relationship is proper as long as both seller and buyer agree to dual agency in writing. Once agreed to, agents representing individual sellers and buyers cannot disclose to another agent their principal’s position on **price, terms** or their principal’s **motivation**. When a single agent represents both buyer and seller (this happens about 20% of the time), this agent cannot disclose either party’s position on these same issues to the opposite party.

If both seller and buyer are represented by different Keller Williams Integrity Realty - Roseville agents, it’s not too difficult to keep obligations to each party clear. However, when we personally represent both buyer and seller, things get trickier for us. Such circumstances place us on constant “alert” as to our obligations to both parties. We will openly discuss this situation with you and determine how we can work together most comfortably should this occur.