



Three Buyers, One House, and One REALTOR®

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John Wait, Martin & Gifford, PLLC

QUESTION: Help! I've got three buyers who have signed agency agreements with me on Form 201, and all of them want to make an offer on the same home. Do I need to refer two of them to another firm, or can I represent all three?

ANSWER: You can represent all three buyers, provided you follow the License Law.

The Exclusive Buyer Agency Agreement (Form 201) expressly addresses your situation. In paragraph 5, it says: "Buyer understands that other prospective purchasers represented by Firm may seek property, submit offers, and contract to purchase property through Firm, including the same or similar property as Buyer seeks to purchase. Buyer acknowledges, understands and consents to such representation of other prospective purchasers by Firm through its agents." This means all your buyers have received advance notice of this situation, and they have given their consent in writing.

In addition to the written consent in Form 201, the License Law requires that you immediately disclose your conflict and be fair to all parties. Once you disclose the conflict in writing, make sure each buyer knows the limitations of your representation. You will not be able to give specific advice on what terms to include in the offer, and each buyer should receive the same information about the property as your other buyers. For example, if you prepare a CMA for one buyer, you should also provide it to the others.

If any buyer has an issue with your representing more than one buyer on the same property, the best practice would be to assign another agent in your firm to that buyer who will not share information with you, or refer the buyer to another firm. It should be noted that while the risks in representing more than one buyer on the same property can be managed, there is nevertheless significant risk in doing so. Agents should not take such responsibility lightly.

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