



Get Inspired.

New York State Agency Relationships

December 9, 2015 9 AM - Noon

3 Hours NYS CE

Author / Presenter:

Roseann Farrow, ABR and ABR Instructor

www.rfseminars.com

How comfortable are you in presenting all the agency options to consumers?
Do you stumble through the Agency Disclosure form and wish you had a better understanding and better, smoother scripting?

This course will review the various agency relationships we create and how to define and describe them to our real estate prospects. We'll cover how to treat customers like customers and clients like clients. And we'll include the representation agreements that shift risk while offering professional, quality services. Let's face it... today both Buyers and Sellers want, need and expect your advice and advocacy. And we want, need and expect their trust and loyalty for the value we bring to the table.

As a result of this seminar participants will be able to:

- explain how agency may be created in NY State.
- describe the types of Agency Agreements that exist with any Principal in NY State.
- define fiduciary duties owed to Clients.
- compare agency relationships.
- summarize the NY State Disclosure form.
- develop scripting in presenting Disclosure to customers and clients.
- distinguish possible conflict areas when offering agency options.
- interpret and support Buyer Representation Agreements.

1. How is Agency created in NY State?

- Express
 - Oral or in Writing
- Implied

2. Types of Agency Agreements with *any* Principal (*Seller, Buyer, Landlord, Tenant*)

- Open
- Exclusive Agency
- Exclusive Right

Remembering to adhere to the Realtor® Code of Ethics

Article 1

- Standards of Practice 1-12 and 1-13

3. Fiduciary Duties Owed to Principal

O	O bedience	C	C onfidentiality
L	L oyalty	A	A ccountability
D	D isclosure	R	R easonable Care/Diligence

4. Agency Relationships in NY

- Seller's Agent
- Buyer's Agent
- Broker's Agent
- Dual Agent
- Dual Agent with Designated Sales Agents

5. Using a Disclosure Form: Real Property Law 443

- Seller / Buyer / Landlord / Tenant
- 1 -4 Family residential, condominiums and co-ops

Key Areas:

- Timing

- Client vs. Customer
- Language/Scripts
- Refusal to Sign

Remembering to adhere to the Realtor® Code of Ethics

Article 9 Do it in writing!

Article 16

- Standards of Practice 16-10, 16-11 & 16-12 - Written confirmation of disclosure!

6. Conflict Areas We Encounter

- You create a Customer relationship with a Buyer who is
 - a first-time Buyer.
 - a corporate transferee.
 - your current Seller Client who wants to buy.
 - your sister.
- You (or your company) have two Buyer Clients interested in the same listing.
- You (or your company) have a Buyer Client and a Buyer Customer interested in the same listing.
- Your Buyer Client wants to become your Customer or visa versa. (Switching Hats)
- You want to buy your own listing.

7. Exclusive Right to Represent Agreement

- What should it include?
 - Names of the Parties
 - Agreement Period
 - Broker's Obligations
 - Client's Obligations
 - Broker Fee / Commission
 - Advice on Technical Matters (Waiver)
 - Fair Housing statement
 - In-House Sales
 - Other Potential Buyers
 - Purchase Offer Money
 - Additional Terms
 - Property Info
 - Other?

What if the Buyer Client won't sign the contract?

Presenting / Handling Resistance

Remembering to adhere to the Realtor® Code of Ethics

Article 16

REALTORS® shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients. (Amended 1/04)

- Standard of Practice 16-1 through 16-20 all need review!!

Regarding Buyer Representation, specifically:

- Standard of Practice 16-9

REALTORS®, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service. (Amended 1/04)

- Standard of Practice 16-13

All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client’s representative or broker, and not with the client, except with the consent of the client’s representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, REALTORS® shall ask prospects whether they are a party to any exclusive representation agreement. REALTORS® shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects’ exclusive representatives or at the direction of prospects. (Adopted 1/93, Amended 1/04)

8. Self Evaluation / Action Steps

I learned or was reminded of.....

I will.....

Roseann Farrow, owner of Roseann Farrow Seminars, is a national instructor and licensed real estate broker who lives in New York’s Mid-Hudson Valley. A REALTOR Emeritus with 40 years’ experience in training, management, business & marketing consulting, her programs enhance productivity, quality and profit and include risk reduction tips and tactics that add value.

Roseann Farrow, ABR, CDEI, CIPS, CRB, CRS, e-PRO, GREEN, GRI, RSPS, SRES, SRS

www.rfseminars.com roseann@rfseminars.com

©2015 All Rights Reserved - Roseann Farrow Seminars, PO Box 10065, Newburgh, NY 12552