



☐☐ **Not all agents or brokers are REALTORS, ☐ there is a difference.**

As a prerequisite to selling real estate, a person must be licensed by the state in which they work, either as an agent/salesperson or as a broker. Before a license is issued, minimum standards for education, examinations and experience, which are determined on a state by state basis, must be met. After receiving a real estate license, most agents go on to join their local board or association of REALTORS and the NATIONAL ASSOCIATION OF REALTORS, the world's largest professional trade association. They can then call themselves REALTORS.

The term "REALTOR" is a registered collective membership mark that identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS and subscribes to its strict Code of Ethics (which in many cases goes beyond state law). In most areas, it is the REALTOR who shares information on the homes they are marketing, through a Multiple Listing Service (MLS). Working with a REALTOR who belongs to an MLS will give you access to the greatest number of homes.

Using an agent and the obligations that are owed to you.

An agent is bound by certain legal obligations. Traditionally, these common-law obligations are to: Put the client's interests above anyone else's; Keep the client's information confidential; Obey the client's lawful instructions; Report to the client anything that would be useful; and Account to the client for any money involved.

NOTE: A REALTOR is held to an even higher standard of conduct under the NAR Code of Ethics. In recent years, state laws have been passed setting up various duties for different types of agents. As you start working with a REALTOR, ask for a clear explanation of your state's current regulations, so that you will know where you stand on these important matters.

The difference between a buyer's and a seller's broker.

Suppose you sign an offer to buy a home for \$150,000. You really want the property and there's a chance other offers are coming in, so you tell the broker that "We'll go up to \$160,000 if we have to. But of course don't tell that to the seller." If you're dealing with a seller's agent, he or she may be duty-bound to tell the seller that important fact. In most states, the seller's agent doesn't have any duty of confidentiality toward you. Honest treatment might require that the agent warn you that "I must convey to the seller anything that would be useful so don't tell me anything you wouldn't tell the seller."

Your Money

Make the most of your money. Our finance section features information about banking, loans, insurance, taxes, investing and more.

TIP: If you're dealing with seller's agents, it is a good idea to keep confidential information to yourself. These days many homebuyers prefer instead to hire a buyer's broker, one who owes the full range of duties, including confidentiality and obedience, to the buyer. A buyer's broker is often paid by the seller, regardless of the agency relationship.

How to evaluate an agent.

In making your decision to work with an agent, there are certain questions you should ask when evaluating a potential agent. The first question you should ask is whether the agent is a REALTOR.

You should then ask:

- Does the agent have an active real estate license in good standing? To find this information, you can check with your state governing agency.
- Does the agent belong to the Multiple Listing Service (MLS) and/or a reliable online home buyer search service? Multiple Listing Services are cooperative information networks of REALTORS that provide descriptions of most of the houses for sale in a particular region.

- Is real estate their full-time career?
- What real estate designations does the agent hold?
- Which party is he or she representing--you or the seller? This discussion is supposed to occur early on, at "first serious contact" with you. The agent should discuss your state's particular definitions of agency, so you'll know where you stand.

In exchange for your commitment, how will the agent help you accomplish your goals? Show you homes that meet your requirements and provide you with a list of the properties he or she is showing you?

Online Resources

The following online resource can assist you in the home buying and selling process:

- www.REALTOR.org – Select the Home Buyers and Sellers section for complete information on the home buying and selling process. Also locate additional information on the NATIONAL ASSOCIATION OF REALTORS®, the REALTOR® Code of Ethics and designation programs. REALTORS® provide you with invaluable services when buying or selling a home.

Make the right choice— Choose a REALTOR® !