

# Customer vs. Client: Do I Want Representation?

(Realtor's Responsibility to Buyer Depends on Buyer's Status)

## Circumstance/ Situation

## Customer Status

## Client Status

### Showing

Show properties in which broker's fee is protected. Pick best times to show property. Emphasize attributes and amenities.

Search for best properties for buyer to inspect, widening marketplace to "For Sale By Owner" and other unlisted properties. View property at different times, point negative as well as positive features.

### Acquisition Objectives

Find buyer the type of property he/she seeks, more concerned with sale of seller's property that fits buyer's stated objectives.

Counsel buyer to develop objectives, consider anticipated holding time and location vs value issues, assist in determining the best "value" available to the buyer.

### Purchase Offers & Negotiation

Prepare and submit purchaser's offer to seller or seller's agent, must disclose buyer's willingness to increase offer if agent believes this to be true. Agent obligated to try to obtain the highest price and best terms for the seller.

Prepare client's offer after reviewing market research to determine property's true market value range. Agent will be an advocate of the buyer and will negotiate from the buyer's perspective with the objective of getting the buyer the best price and terms possible under the circumstances.

### Valuation

Unless asked, the agent has no duty to disclose a lower appraisal if one exists, or to disclose recent comparable sales data that does not support the seller's price.

Agent will review all relevant market information with client and use same to negotiate with seller or seller's agent. Agent will review market comparables from the buyer's prospective.

### Property Condition

Suggest use of "as is" clause, if appropriate to protect seller. Agent required to disclose known defects. Agent will negotiate any home inspection issues from the seller's perspective.

Advise buyer on inspections to conduct and recommend qualified inspectors. Agent will use obvious negative features to negotiate lower price. Agent will negotiate any home inspection issues from the buyer's perspective.

### Disclosure / Non-Disclosure Issues

Must disclose to seller buyer's willingness to pay more, buyer's urgency to buy or buyer's plans to resell at a profit. Must refrain from disclosing to buyer any facts that may compromise seller's position.

Disclose to buyer pertinent facts such as property being overpriced, other property available at better value, anticipated future development that may negatively impact property value, seller's financial pressures (if known). Agent will not disclose any buyer facts that would compromise the buyer's negotiating position.

### Responsibilities / Duty

Be fair and honest to buyer but owe fiduciary duty to seller, including duty of skill and care to promote and safeguard the seller's interest.

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