

*Oklahoma Association of Realtors
Oklahoma Real Estate Commission
Sample Brokerage Relationship Policies*

**1. Single-Party Broker – Sellers Only
(with Transaction Broker listing agreements authorized)**

BEST COMPANY, REALTORS adopts this written policy identifying and describing the relationships in which the licensees of Best Company, Realtors may engage with sellers, landlords, buyers or tenants. As used in this policy, the word “Company” means Best Company, Realtors and its affiliated licensees.

The Company acts as a single-party broker for sellers (and/or landlords) only through written listing agreements or other written brokerage service agreements with sellers (and/or landlords).

In acting as a single-party broker for sellers (and/or landlords) only, the Company acts as a single-party broker as that term is defined by the Statutes of Oklahoma and per the duties and obligations of a licensee and single-party broker for the seller (and/or landlord) as specified by the Statutes of Oklahoma.

The Company and its licensees also act as transaction brokers as that term is defined in the Statutes of Oklahoma through written listing agreements or other written brokerage service agreements with sellers (and/or landlords) when the seller (and/or landlord) and the Company seek to enter into an agreement for brokerage services which does not involve acting for the benefit of the seller.

In acting as transaction brokers, the Company acts per the duties and obligations of a licensee and transaction broker as specified by the Statutes of Oklahoma.

The Company does not act as a single-party broker for buyers (or tenants) and will not represent buyers (and/or tenants) nor enter into written or other brokerage service agreements with buyers (and/or tenants).

The Company will work with buyers (and/or tenants) to sell its listings and to sell listings of other brokers as transaction brokers when offers of cooperation and compensation are offered to transaction brokers, either through direct offers of compensation or through unilateral offers of compensation to transaction brokers made in any multiple listing services in which the Company participates.

In making offers of cooperation and compensation to other brokers, the Company offers compensation directly or through participating MLS systems to both transaction brokers and to single-party brokers working for buyers.

2. Single-Party Broker – Buyers Only

BEST COMPANY, REALTORS adopts this written policy identifying and describing the relationships in which the licensees of Best Company, Realtors may engage with sellers, landlords, buyers or tenants. As used in this policy, the word “Company” means Best Company, Realtors and its affiliated licensees.

The Company acts as a single-party broker for buyers (and/or tenants) only through written brokerage service agreements with buyers (and/or tenants).

In acting as a single-party broker for buyers (and/or tenants) only, the Company acts as a single-party broker as that term is defined by the Statutes of Oklahoma and per the duties and obligations of a licensee and single-party broker for the buyer (and/or tenant) as specified by the Statutes of Oklahoma.

The Company does not act as a single-party broker for sellers (and/or landlords) and will not represent sellers (and/or landlords) nor enter into written agreements for brokerage services with sellers (and/or landlords). The Company does not accept listings of property.

The Company will work with sellers (and/or landlords) as transaction brokers in circumstances where a seller’s (and/or landlord’s) property is not listed and the Company’s buyer desires to purchase seller’s/landlord’s property.

The Company will accept compensation from listing brokers and/or sellers with appropriate disclosures to its buyers.

3. Single-Party Broker Only – Buyer or Seller

BEST COMPANY, REALTORS adopts this written policy identifying and describing the relationships in which the licensees of Best Company, Realtors may engage with sellers, landlords, buyers or tenants. As used in this policy, the word “Company” means Best Company, Realtors and its affiliated licensees.

The Company acts as a single-party broker for sellers (and/or landlords) or as a single-party broker for buyers (and/or tenants) through written brokerage service agreements with sellers (and/or landlords) or buyers (and/or tenants).

In acting as a single-party broker, the Company and its licensees act as a single-party broker as that term is defined by the Statutes of Oklahoma and per the duties and obligations of a licensee and single-party broker as specified by the Statutes of Oklahoma.

The Company cannot act as a single-party broker for both parties in any transaction. If a buyer with whom the Company has a single-party broker agreement desires to purchase a Company listing (in-house sale), the Company will either: a) refer that buyer to another company so that no conflict exists or b) request that the buyer change to a transaction broker relationship. If the buyer does not consent to change to a transaction broker relationship, the Company will request that the seller change to a transaction broker relationship. If neither party will consent to a change to a transaction broker relationship, the Company will withdraw from providing services to the buyer and refer the buyer to another company. The Company will accept a referral fee from the other company, if negotiated, only with written disclosure to all parties per the Statutes of Oklahoma.

The Company will work with buyers (and/or tenants) to sell its listings and to sell listings of other brokers as transaction brokers when offers of cooperation and compensation are offered to transaction brokers, either through direct offers of compensation or through unilateral offers of compensation to transaction brokers made in any multiple listing services in which the Company participates.

In acting as transaction brokers, the Company acts per the duties and obligations of a licensee and transaction broker as specified by the Statutes of Oklahoma.

In making offers of cooperation and compensation to other brokers, the Company offers compensation directly or through participating MLS systems to both transaction brokers and to single-party brokers working for buyers.

4. Single-Party Broker – Buyer or Seller with Transaction Brokerage for In-House Sales (with Transaction Brokerage listing agreements authorized)

BEST COMPANY, REALTORS adopts this written policy identifying and describing the relationships in which the licensees of Best Company, Realtors may engage with sellers, landlords, buyers or tenants. As used in this policy, the word “Company” means Best Company, Realtors and its affiliated licensees.

The Company acts as a single-party broker for sellers (and/or landlords) or as a single-party broker for buyers (and/or tenants) through written brokerage service agreements with sellers (and/or landlords) or buyers (and/or tenants).

In acting as a single-party broker, the Company and its licensees act as a single-party broker as that term is defined by the Statutes of Oklahoma and per the duties and obligations of a licensee and single-party broker as specified by the Statutes of Oklahoma.

The Company cannot act as a single-party broker for both parties in any transaction. If a buyer with whom the Company has a single-party broker agreement desires to purchase a Company listing (in-house sale), the Company will, through consents obtained in its brokerage service agreements, change to a transaction broker relationship with both the seller and the buyer. If only one party will consent to the change to transaction brokerage, the Company will continue to act as a single-party broker for the nonconsenting party and as a transaction broker for the consenting party, with the appropriate disclosures required by the Statutes of Oklahoma. If neither party will consent to a change to a transaction broker relationship, the Company will withdraw from providing services to the buyer and refer the buyer to another company. The Company will accept a referral fee from the other company, if negotiated, only with written disclosure to all parties per the Statutes of Oklahoma.

The Company and its licensees also act as transaction brokers as that term is defined in the Statutes of Oklahoma through written listing agreements or other written brokerage service agreements with sellers (and/or landlords) when the seller (and/or landlord) and the Company seek to enter into an agreement for brokerage services which does not involve acting for the benefit of the seller.

The Company will work with buyers (and/or tenants) to sell its listings and to sell listings of other brokers as transaction brokers when offers of cooperation and compensation are offered to transaction brokers, either through direct offers of compensation or through unilateral offers of compensation to transaction brokers made in any multiple listing services in which the Company participates.

In acting as transaction brokers, the Company acts per the duties and obligations of a licensee and transaction broker as specified by the Statutes of Oklahoma.

In making offers of cooperation and compensation to other brokers, the Company offers compensation directly or through participating MLS systems to both transaction brokers and to single-party brokers working for buyers.

5. **Transaction Broker status Only - (Never Single-party Broker)**

BEST COMPANY, REALTORS adopts this written policy identifying and describing the relationships in which the licensees of Best Company, Realtors may engage with sellers, landlords, buyers or tenants. As used in this policy, the word “Company” means Best Company, Realtors and its affiliated licensees.

The Company acts only as transaction brokers as that term is defined in the Statutes of Oklahoma. In working with sellers, the Company acts through written listing agreements or other written agreements for brokerage services with sellers (and/or landlords) and buyers (and/or tenants).

In acting as transaction brokers, the Company acts per the duties and obligations of a transaction brokers as specified by the Statutes of Oklahoma.

The Company will work with buyers (and/or tenants) to sell its listings and to sell listings of other brokers as transaction brokers when offers of cooperation and compensation are offered to transaction brokers, either through direct offers of compensation or through unilateral offers of compensation to transaction brokers made in any multiple listing services in which the Company participates.

In making offers of cooperation and compensation to other brokers, the Company offers compensation directly or through participating MLS systems to both transaction brokers and to single-party brokers working for buyers.

The Company does not act as single-party broker with any party to a transaction.

DO=S AND DON=TS FOR SINGLE-PARTY BROKERS WORKING WITH BUYERS

Single-Party Brokers (Buyers) “DO’s”

- Y DO** Have a specific buyer interview session. Explain how a single-party broker working with the buyer is paid. Explain the requirement for a written brokerage agreement prior to providing services as a single-party broker.
- Y DO** Prior to entering into a written brokerage agreement, describe and disclose in writing the broker’s relationship to the buyer.
- Y DO** Enter into a written brokerage agreement with the buyer prior to providing services as a single-party broker.
- Y DO** Fully disclose to the buyer in the written brokerage agreement the fact that the single-party broker will be paid compensation based on the selling price or lease cost (if that is, in fact, the method of compensation).
- Y DO** Perform all brokerage activities for the benefit of the buyer unless otherwise prohibited by law.
- Y DO** Ask the buyer whether they are subject to any existing agreements. If they are subject to an exclusive agreement, you should not interfere with the exclusive relationship of another REALTOR®. You may enter into another agreement with them upon release from the other agreement. If non-exclusive, you may enter into another non-exclusive agreement, but do not enter into an exclusive agreement.
- Y DO** Perform the terms of the brokerage agreement.
- Y DO** Exercise reasonable skill and care for the buyer.
- Y DO** Treat all parties with honesty.
- Y DO** Present all written offers and counter offers to and from the parties in a timely manner.
- Y DO** Keep the buyer fully informed regarding the transaction.
- Y DO** Obey the specific directions of the buyer which are not contrary to law or contrary to the

terms of a contract between the parties to the transaction.

- Y DO** Account in a timely manner for all money and property received on behalf of the buyer.
- Y DO** Disclose information pertaining to the property as required by the Residential Property Condition Disclosure Act.
- Y DO** Discuss and inform the buyer of your company policies regarding the purchase of an in-house listing, whether that be conversion to transaction brokerage or referral of the buyer in the event that neither party agrees to a change of relationship to transaction brokerage.
- Y DO** Make the appropriate disclosures and have the buyer complete the appropriate consents to accomplish your company's policy in the event of an in-house sale.
- Y DO** Disclose to the buyer that the buyer may be vicariously liable for the acts or omissions of the broker.
- Y DO** Confirm the required disclosures and consents in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option or exchange.
- Y DO** Search for and present the buyer with the selection of properties specified in your written brokerage agreement. This could include MLS properties, FSBO's, REO property and unlisted property.
- Y DO** Recommend an appraisal and appropriate inspections such as building/home, termite, environmental, lead paint, etc.
- Y DO** Work for the lowest amount of earnest money that is appropriate given the market, type of house and type of offer the buyer wants to present.
- Y DO** Point out good and bad features of a property, especially features affecting value such as poor floor plans or overimprovement for the neighborhood.
- Y DO** Complete a Comparative Market Analysis before an offer is made on a property. Make sure it is a thorough comparison of all properties, active, sold and pending. Analyze the data with the buyer and assist the buyer in formulating an offer price.
- Y DO** Point out any relevant information you know about the area, such as proposed roads, power

lines, school changes, commercial developments, local tax increases, etc.

- Y DO** Prepare the offer with favorable and protective terms for the buyer, especially in inspections and title examination.
- Y DO** Counsel with the buyer as to negotiating strategies on terms and price. Share your experience in negotiating with the buyer and give your recommendations, if appropriate.
- Y DO** Keep information of the buyer confidential unless you have permission to disclose it. Go over with the buyer on the buyer interview what information is considered confidential under Oklahoma statutes.
- Y DO** Disclose all information you receive from the listing broker. This is especially helpful regarding the seller's negotiating position and intention.

Single-Party Brokers (Buyers) "DON'Ts"

- Y DON=T** Disclose confidential information of the buyer, either during or following the termination of your relationship. This includes information such as the buyer's motivation to buy, the price the buyer is willing to offer or the financing terms the buyer is willing to accept.
- Y DON=T** Try to balance "fairness" between the seller and buyer. Your job is to work for the BENEFIT of the BUYER - your only obligation to the seller is to be honest and disclose other information as required by law (e.g. material defects and matters under the Residential Property Condition Disclosure Act). If you learn important information about the seller's negotiating position from someone other than the seller, tell the buyer.
- Y DON=T** Accept a bonus, prize, trip or incentive from a seller or listing broker without disclosure to and informed consent of the buyer.

DO=S AND DON=TS FOR SINGLE-PARTY BROKERS WORKING WITH SELLERS

Single-Party Brokers (Sellers) “DO’s”

- Y DO** Complete a typical listing call. When on the call, explain the requirement for a written brokerage agreement prior to providing services as a single-party broker. Explain that the written brokerage agreement must have a definite date of expiration.
- Y DO** Prior to entering into a written brokerage agreement, describe and disclose in writing the broker’s relationship to the seller.
- Y DO** Enter into a written brokerage agreement with the seller prior to providing services as a single-party broker.
- Y DO** Perform all brokerage activities for the benefit of the seller unless otherwise prohibited by law.
- Y DO** Ask the seller whether they are subject to any existing agreements. If they are subject to an exclusive agreement, you should not interfere with the exclusive relationship of another REALTOR®. You may enter into another agreement with them upon release from the other agreement. If non-exclusive, you may enter into another non-exclusive agreement, but do not enter into an exclusive agreement.
- Y DO** Perform the terms of the brokerage agreement.
- Y DO** Exercise reasonable skill and care for the seller.
- Y DO** Treat all parties with honesty.
- Y DO** Present all written offers and counter offers to and from the parties in a timely manner.
- Y DO** Keep the seller fully informed regarding the transaction.
- Y DO** Obey the specific directions of the seller which are not contrary to law or contrary to the terms of a contract between the parties to the transaction.
- Y DO** Account in a timely manner for all money and property received on behalf of the seller.

- Y DO** Disclose information pertaining to the property as required by the Residential Property Condition Disclosure Act.
- Y DO** Discuss and inform the seller of your company policies regarding the sale of an in-house listing, whether that be conversion to transaction brokerage or referral of the seller in the event that neither party agrees to a change of relationship to transaction brokerage.
- Y DO** Make the appropriate disclosures and have the seller complete the appropriate consents to accomplish your company's policy in the event of an in-house sale.
- Y DO** Disclose to the seller that the seller may be vicariously liable for the acts or omissions of the broker.
- Y DO** Confirm the required disclosures and consents in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option or exchange.
- Y DO** Negotiate the offer with favorable and protective terms for the seller, especially in inspections and title examination.
- Y DO** Work for the highest amount of earnest money that is appropriate given the market, type of house and type of offer the seller wants to accept.
- Y DO** Counsel with the seller as to negotiating strategies on terms and price. Share your experience in negotiating with the seller and give your recommendations, if appropriate.
- Y DO** Keep information of the seller confidential unless you have permission to disclose it. Go over with the seller on the seller interview what information is considered confidential under Oklahoma statutes.
- Y DO** Disclose all information you receive from the broker working with the buyer. This is especially helpful regarding the buyer's negotiating position and intention. If there is not another broker working with the buyer and you are working with the buyer as a transaction broker, then be aware of confidential information from the buyer which you may not disclose.

Single-Party Brokers (Sellers) "DON'Ts"

Y **DON=T** Disclose confidential information of the seller, either during or following the termination of your relationship. This includes information such as the seller's motivation to sell, the price or the financing terms the seller is willing to accept.

Y **DON=T** Try to balance "fairness" between the seller and buyer. Your job is to work for the BENEFIT of the SELLER. If the buyer is working with another broker, your only obligation to the buyer is to be honest and disclose other information as required by law (e.g. material defects and matters under the Residential Property Condition Disclosure Act). If you learn important information about the buyer's negotiating position from someone other than the buyer, tell the seller. If there is not another broker working with the buyer and you are working with the buyer as a transaction broker, you also have an obligation of confidentiality to the buyer.

TRANSACTION BROKER DO=S AND DON=TS

Transaction Broker “DO's”

- Y **DO** Provide services by assisting a party in a transaction *without* being an advocate for the benefit of that party.
- Y **DO** Describe and disclose in writing the broker’s relationship to the party prior to entering into a written brokerage agreement as a transaction broker, if entering into a written agreement to provide services as a transaction broker.
- Y **DO** Describe and disclose in writing the broker’s role to the party prior to the signing of a contract to purchase, lease, option or exchange, if performing services as a transaction broker without a written agreement.
- Y **DO** Perform the terms of the written brokerage agreement, if applicable.
- Y **DO** Exercise reasonable skill and care for the parties.
- Y **DO** Treat all parties with honesty.
- Y **DO** Present all written offers and counter offers to and from the parties in a timely manner.
- Y **DO** Disclose information pertaining to the property as required by the Residential Property Condition Disclosure Act.
- Y **DO** Account in a timely manner for all money and property received on behalf of the parties.
- Y **DO** Keep the party for whom you are providing services fully informed regarding the transaction.
- Y **DO** Keep information received from a party confidential unless you have permission to disclose it. Go over with the party what information is considered confidential under Oklahoma statutes.
- Y **DO** Disclose to the party for whom you are providing services that the party is not vicariously liable for the act or omissions of the transaction broker.

- Y DO** Discuss and inform the party of your company policies regarding the sale of an in-house listing, whether that be working only as a transaction broker for both parties, conversion to transaction brokerage or referral of the party in the event that neither party agrees to a change of relationship to transaction brokerage.
- Y DO** Make the appropriate disclosures and have the party complete the appropriate consents to accomplish your company's policy in the event of an in-house sale.
- Y DO** Confirm the required disclosures and consents in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option or exchange.

Transaction Broker "DON'Ts"

- Y DON=T** Act like you are working for the benefit of either party. Using words or phrases like "I'll take care of you" or "I'll work hard for you" could be contrary to your transaction brokerage status.
- Y DON=T** Advocate for either party. Remain neutral and do not act for the benefit of one party or the other.

CHECKLIST FOR BROKERS
Items to Complete Before November 1, 2000

Adopt an brokerage relationships policy.

Decide whether to allow single-party broker relationships.

Decide whether to allow written transaction brokerage relationships.

Decide how to handle in-house transactions, whether with single-party brokerage/transaction brokerage, single-party brokerage/referral of a party or transaction brokerage for both sides.

Decide whether to offer compensation to cooperating single-party brokers.

Decide whether to offer compensation to cooperating transaction brokers.

Secure revised forms or revise forms to reflect the new law. New forms to secure/revise include single-party broker listing agreements, transaction broker listing agreements, single-party broker buyer agreements, and sale contracts. The forms must reflect the brokerage relationships policy you adopt, e.g. disclosures and consents reflecting how your company will handle an in-house sale (These forms must comply with Section 858-355 of the statute). Alternatively, use a board/association approved forms which reflects your company's policy and practice.

If a listing contract or buyer agency agreement entered into before November 1, 2000 expires and a new agreement is entered into after November 1, 2000, the new agreement must comply with the new law and eliminate the use of agency relationships.

DO NOT USE old forms for business after November 1, 2000. Use ONLY new forms for agreements beginning November 1, 2000.

Send notice to your licensees not to use old forms for business after November 1, 2000.

Establish a system to monitor all brokerage service agreements after November 1, 2000 to be sure that your licensees are using the correct forms. Continue monitoring system until you believe licensees are consistently using the correct forms.

CHECKLIST FOR LICENSEES WORKING WITH SELLERS

Prior to entering into a written brokerage agreement, describe and disclose in writing the broker's relationship to the seller, whether it be single-party broker or transaction broker.

If working as a single-party broker, get a signed listing agreement prior to providing any services as a single-party broker.

If entering into an exclusive agreement, verify that the seller is not subject to any other valid exclusive agreements to provide the same type of real estate service.

Prior to advertising any property for sale, rent, lease or exchange, secure the permission of the owner and make sure the permission has a definite date of expiration.

Discuss confidentiality with the seller and tell the seller what information is confidential under Oklahoma statutes.

Tell the seller not to discuss confidential matters with licensees or buyers coming in to property.

Discuss and inform the seller of your company policies regarding the sale of an in-house listing, depending on whether your company authorizes single-party brokerage, transaction brokerage, conversion to transaction brokerage or referral of the buyer or seller should neither party agree to a change of relationship from a single-party broker relationship.

Make sure your listing agreement contains appropriate provisions regarding the listing company's cooperation and compensation of single-party brokers and/or transaction brokers.

If working as a single-party broker, disclose to the seller that the seller may be vicariously liable for the acts or omissions of the single-party broker.

If working as a transaction broker, disclose to the seller that the seller is not vicariously liable for the acts or omissions of the transaction broker.

Tell the seller of the obligation to comply with the Residential Property Condition Disclosure Act.

If an in-house sale, make the appropriate disclosures and have the seller complete the appropriate consents to accomplish your company's policy for in-house sales.

Confirm the required disclosures and consents in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option or exchange.

If working as a transaction broker, assist the seller without being an advocate for the benefit of the seller.

If working as a single-party broker, work for the benefit of the seller and obey the specific directions of the seller (unless those instructions are contrary to law or contract between the parties).

CHECKLIST FOR LICENSEES WORKING WITH BUYERS

Prior to entering into a written brokerage agreement, describe and disclose in writing the broker's relationship to the buyer, whether it be single-party broker or transaction broker.

If working as a single-party broker, ask the buyer whether the buyer has an existing brokerage agreement with another broker. If so, you should ask the type (exclusive/non-exclusive) and make sure your brokerage agreement does not interfere with the other.

If working as a single-party broker, complete a written brokerage agreement prior to providing any services as a single-party broker.

If entering into an exclusive agreement, verify that the buyer is not subject to any other valid exclusive agreements to provide the same type of real estate service.

If you are performing services for the buyer as a transaction broker without a written agreement, describe and disclose in writing the broker's role to the party prior to the signing by the buyer of a contract to purchase, lease, option or exchange real estate.

Discuss confidentiality with the buyer and tell the buyer what information is confidential under Oklahoma statutes.

Tell the buyer not to discuss confidential matters with listing brokers or sellers.

Discuss and inform the buyer of your company policies regarding the sale of an in-house listing, depending on whether your company authorizes single-party brokerage, transaction brokerage, conversion to transaction brokerage or referral of the buyer or seller should neither party agree to a change of relationship from a single-party broker relationship.

If working as a transaction broker with the buyer and as a single-party broker with the seller, disclose in writing to the buyer the difference between a transaction broker and a single-party broker and that the broker is a single-party broker for the seller and performs services for the benefit of the seller in the transaction.

If working as a single-party broker, disclose to the buyer that the buyer may be vicariously liable for the acts or omissions of the single-party broker.

If working as a transaction broker, disclose to the buyer that the buyer is not vicariously liable for the acts or omissions of the transaction broker.

Tell the buyer of the Residential Property Condition Disclosure Act.

If an in-house sale, make the appropriate disclosures and have the buyer complete the appropriate consents to accomplish your company's policy for in-house sales.

Confirm the required disclosures and consents in writing in a separate provision, incorporated in or attached to the contract to purchase, lease, option or exchange.

If working as a transaction broker, assist the buyer without being an advocate for the benefit of the buyer.

If working as a single-party broker, work for the benefit of the buyer and obey the specific directions of the buyer (unless those instructions are contrary to law or contract between the parties).