



LEGAL HOTLINE Q&A

FROM GET THE FACTS, June 4, 2024

Question:

A Buyer contacts me asking if I can help them with buying a house. They say they have been working with another agent and signed a contract with that agent. They are not happy with that agent and want to switch to me. What should I say to this buyer? Also, how do I cancel a Buyer Agency Agreement if both I and the buyer want to cancel it?

Answer:

If broker is the broker in contract with a buyer and broker and buyer have decided they no longer want to work together, but broker has already shown homes to buyer, then broker might want to consider revising broker's buyer agency agreement rather than terminating it outright. If broker currently has an exclusive agreement with buyer and wants to preserve the right to collect compensation if buyer purchases one of the homes shown by broker, then broker may be wise to amend the buyer agency agreement, if buyer is amenable. The amended buyer agency agreement would likely re-describe the "area" covered by the agreement as the addresses of the homes broker showed buyer. That amendment would leave broker with the exclusive right to receive compensation if buyer purchases a home shown by broker but give buyer the freedom to look for other properties with a different broker. If, however, the parties wanted to terminate the buyer agency agreement outright, Form 53 is the statewide form intended for that purpose.

If buyer indicates that buyer wants to terminate an agency agreement with a different agent, an agent who is not the broker with whom buyer is having the conversation, then all the broker having the conversation can say is that buyer should talk to the buyer's agent and seek the advice of buyer's lawyer if that conversation is not fruitful. Buyer is in a binding contract and is wanting to avoid the obligations of that contract. That is not assistance that a real estate broker is licensed or insured to provide. Broker should advise that buyer to seek the assistance of buyer's lawyer if conversations between buyer and the buyer's broker do not yield the results buyer seeks.

The Legal Hotline Lawyer does not represent Washington REALTORS® or its members. The advice contained herein does not constitute legal counsel. To browse through our database of past Q & A's, visit warealtor.org/legal-hotline. Attorney Annie Fitzsimmons writes the Legal Hotline Question and Answer of the Week. This is a WR members-only benefit so you will be prompted to log in with your MI number and password. Your Designated Broker is cc'd on Legal Hotline inquiries.



facebook.com/warealtors
twitter.com/washrealtors
instagram.com/washrealtors
youtube.com/washrealtors



warealtor.org • 1-800-562-6024 • 360-357-6627 Fax • 504 14th Ave SE, Olympia, WA 98501 • P.O. Box 719 Olympia, WA 98507 (Mailing)