

# Transaction Brokerage: The most common example of confusion

**You have a listing.  
An unrepresented buyer calls on your  
ad or sign and wants to see it.**

Give the buyer the Brokerage Relationships flyer.  
  
Explain you represent the seller. If buyer is okay with this, proceed below. If they don't accept that, follow the arrow to the right.

**Remember, you represent the seller only!**  
  
**Show the property as a Seller's advocate. Remember, the buyer is unrepresented.**

Write the sales contract.  
  
Mark that you represent the seller, and the buyer is unrepresented. You are "assisting" both sides.

Collect BOTH the listing and selling commission. Yay!  
  
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The buyer doesn't like the fact that you represent the seller, so you decide to be a Transaction broker instead.  
**NO! NO! NO! (Refer to another agent if you must)**

You fear the buyer will freak out if they realize that you represent the seller, so you decide to be a Transaction Broker to calm them down and keep them with you.  
**NO! NO! NO!**

Someone you think is really smart and really experienced says you need to become a Transaction Broker.  
**NO! NO NO!**

You think you won't get paid both sides of the commission if you only represent the seller.  
**NO!NO!NO!**

## Transaction Brokerage: More Scenarios

**1) You meet a buyer who does not sign a "Buyer Agency Agreement."**

Provide the Brokerage Relationships flyer and explain you are a Transaction Broker. No paperwork is required.

Show a co-op property and remain **neutral** in all your actions and answers. (Or in in-house listing, but be careful of agency status.)

Write the offer. Mark that the buyer is unrepresented and you are a Transaction Broker for the buyer, and that you are *Assisting* the Buyer.

Close the deal and get paid the selling commission.

**2) You meet a buyer who signs a "Transaction Broker Buyer Agreement."**

Provide the Brokerage Relationships Brochure. Show property and remain neutral in all your actions and answers.

Write the offer. Mark that the buyer is unrepresented and you are a Transaction Broker for the buyer, and that you are *Assisting* the Buyer.

Close the deal and get paid the selling commission.

**3) You have a Seller who doesn't want representation, but still wants you to find a buyer.**

You MUST have something in writing before you are allowed to represent a property for sale.

Have seller sign the "Exclusive Right to Sell, Transaction Broker"  
This does NOT create an agency relationship... but it DOES create an arrangement for you to market the property and get paid.  
This is admissible to MLS since it is "exclusive" to one company.

On the contract you will mark that you are a Transaction Broker for the seller, and you are *Assisting* the seller, and the seller is unrepresented.

**4) You have a Buyer-Client who wants to buy a FSBO through you.**

Give the FSBO a Brokerage Relationships flyer.

Have the FSBO sign the form, "Seller's Permission to Show & Commission Contract." (aka the FSBO form, also called the one-time showing form)

On the contract you will mark that you represent the Buyer, and the Seller is unrepresented, and that you are *Assisting* both sides.

Collect "both sides" of the commission.

**If you don't represent either of them and you only want to put the deal together**, still use the FSBO form. On the contract you will mark that both are UN-represented and you are ASSISTING both sides. Collect "both sides" of the commission.

**5) You have a listing AND you have a Buyer-Client for it at the same time.**

Probably sometime after securing the listing, a buyer comes along who signs a Buyer Agency agreement. Later on, that's when you realize this Buyer-Client would like to see your listing.

**Before the showing, ask both Seller and Buyer for permission to go neutral. Explain in depth how things will change.** Nothing in writing is necessary yet.  
*NOTE: Missouri also allows you to become Disclosed Dual Agent at this time, but TB overcomes the obstacles of Dual. 😊 Discuss with your broker whether TB or DD.*

If they both agree to your status change, show property and remain neutral in all your actions and answers.

Write the offer. Complete the Transaction Broker Addendum with the contract. In the contract mark that you are a Transaction Broker on both sides, and that both sides are unrepresented, and that you are *Assisting* both sides.

If both of them do NOT agree to your status change, you must refer one or both sides to another agent(s). And the Clients would have to agree to this, too.

Discuss a referral fee, if applicable, with other agent and put it in writing.

Cancel your agency contract with the client you are referring away. The other agent will write an agency agreement with them.

Do NOT reveal to your remaining client anything confidential you know about the other side.

When offer is written, you will mark which side you represent and assist, just like with any other co-op.