



TRAINING TIP OF THE WEEK

Clearing up Confusion Re: **SUB-AGENCY**

The most asked question following the Education Retreat last week was:

“Do I really need a SUB-AGENCY agreement for every listing I show to a buyer who I don’t have a buyer-agency agreement with???”

If I’m being completely honest, I did not listen to the discussion, so I’m unsure about how this subject was taught. However, I know all the right people to ask and took the question to them.

For those who listened to Lance Harrison, Legal Counsel for the UAR speak on “sub-agency” (day 2 of the retreat) you heard him explain this is an older rule, around long before *buyer-agency* was even a thing. And he’s correct. He is also correct in stating that currently, NO agent is being found in violation of this administrative code for NOT having a buyer agency agreement and showing homes.

Kadee Wright, Chief Investigator for the Utah Division of Real Estate offered up advice on this administrative rule and scenarios in which having a “sub-agency” agreement would apply.

First and foremost, you will NOT be found in violation for showing other agents' listings without a buyer-agency agreement in place with your own clients. This is not how the Division interprets the sub-agency agreement administration rule.

SCENARIO #1

You are an agent representing a seller, you have a listing agreement in place, but you are going on vacation. You reach out to an agent friend of yours who is affiliated with a **different brokerage** then you, but who you trust to take care of clients while you are out of town. You ask them to help with your business while you are away.

SCENARIO #2

You are approached by an agent from a different brokerage, who wants to hold an open house at your new listing.

In both scenarios, a sub-agency agreement would be REQUIRED in order to act on your behalf.

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