

The 7 Fiduciary Duties Owed to Real Estate Clients

1. **Confidentiality** - A client confides in their agent trusting it not be used against them. Examples are how much they can afford, what they're willing to spend or how firm a price is.
2. **Accountability** - The agent's financial interest is second to the client's. An agent's duty is to be accountable in all financial dealings with clients.
3. **Reasonable Care** — Includes diligence, follow-up and follow-through. Examples are attention to details and verification of information.
4. **Loyalty** - An agent is to act solely in the best interest of their client, act in ways to help and never harm their client, and seek advancement of a client's intent.
5. **Obedience** — When an agent agrees to do something, including all terms in listing and representation agreements as well as personal commitments, it is a duty.
6. **Advocacy** - Being an advocate is not passive! This may involve confrontation, pleading, arguing, repeatedly asking and being pro-active for a client's goals.
7. **Disclosure** - Matters which materially affect a client's transaction are fully disclosed. This includes information known and which can be reasonably found.

A Dual Agent's Duties

A dual agent must:

- Exercise reasonable skill and care in the performance of the agent's duties.
- Deal honestly with both buyer and seller.
- Disclose (in writing) to both buyer and seller:
 - Any information that the seller is or may be unable to perform;
 - Any information that the buyer is or may be unable to perform;
 - Any material defect existing in the property being transferred; and
 - The possible existence of a lien or encumbrance on the property being transferred.

See A.A.C. R4-28-1101(B).

Limitations When Acting as a Dual Agent

A dual agent must not:

- Advocate or negotiate on behalf of either the buyer or the seller.
- Disclose any confidential information that would place one party at an advantage over the other party (without the informed consent of the other party), such as:
 - That the buyer is willing to pay more than the price offered;
 - That the seller is willing to accept less than the listing price;
 - That a party will agree to financing terms other than those offered;
 - The repairs or improvements that a seller is willing to make or that the buyer is willing to forego;
 - The confidential motivating factors of either party.