



Customer or Client? What's the difference

In real estate transactions, buyer-clients are entitled to a higher level of service than buyer-customers. Becoming a client typically involves signing a Buyer Representation Agreement with a buyer's representative, who then owes you fiduciary duties. This means that your buyer's rep is expected to exercise discretion when acting on your behalf, including adhering to very specific responsibilities, obligations, and high standards of good faith and loyalty.

For example, if you're a client, a buyer's agent will seek to negotiate the most favorable transaction terms for you—and will not disclose any material facts about your situation that could hurt your negotiating position.

If, however, you are only a customer, a buyer's rep may not be in a position to answer even basic questions, such as "Why are they selling?" or "Is this home priced competitively?" This is because they are acting instead as a sub-agent for the seller

YOUR SERVICES WILL VARY, DEPENDING ON YOUR STATUS.

If you are a CUSTOMER (no fiduciary relationship), an agent will:

- Maintain loyalty to the seller's needs
- Tell the seller all that they know about you
- Keep information about you confidential
- Focus on the seller-client's property
- Provide just the material facts
- Only provide price information that supports the seller's listing price
- Protect the seller
- Attempt to solve problems to the seller's advantage and satisfaction

If you are a CLIENT (fiduciary relationship), your agent will:

- Pay full attention to your needs
- Tell you all that they know about the seller
- Negotiate on behalf of the seller
- Keep information about the seller confidential
- Focus on choices that satisfy your needs



Provide material facts as well as professional advice

Provide price counseling based on comparable properties and their professional insights

Protect and guide you

Negotiate on your behalf

Attempt to solve problems to your advantage and satisfaction

Note that not every state requires a signed Buyer's Representation Agreement to create an agency relationship some cases, an agency relationship can be formed if both parties simply behave as if one exists.