

# Buying a Home? Let a Buyer's Agent Work for You

## Understanding Buyer Agency – Part I of III

Buying a home can be overwhelming. Finding the right property takes time, knowledge of the local market, negotiating skills and the expertise to deal with contracts. Each buyer has a different story. Maybe you're a first-time buyer or perhaps you have to sell your home before you buy a new one. A buyer's agent understands these situations and is there to promote your interests and represent *you* through the entire process.

### What can the buyer's agent do for me?

Your buyer's agent will help you through all stages of home buying, starting with a detailed search for the property that suits your needs and budget. This includes searching properties on the MLS® (a large database of property listings) and any for sale by owner. If any of them appeal to you, your buyer's agent will arrange showings at your request.

Once you've found a property, you need to decide what price to offer? Your agent can prepare a comparative market analysis (CMA) that can help you decide on a price. Once you've named a price, your agent writes an offer and works to negotiate the price, terms and conditions in your favour. Your buyer's agent can help wade through all the paperwork that's part of a real estate deal.

Knowing all you can know about a property is an important factor in your decision-making. For example, it's important to know what repairs are needed, what nearby future developments are proposed or in the case of agricultural properties, the state of wells and quality of water.

Your buyer's agent *must* disclose everything known about a property that could impact your decision. For example, a neighbourhood might be known to have water problems or homes built by a particular developer might have a history of foundation problems. If you have concerns your agent can't answer, you'll be advised to ask for advice from other professionals.

Buyer's agents can also lead you to other services necessary in the home buying process. The buyer's agent can search title and provide guidance on financing, property inspections or arranging for a real property report.

### Your buyer's agent works for you

Your buyer's agent has certain obligations, or fiduciary duties that they must fulfill to you, the client:

- **Loyalty.** The agent must protect your negotiating position at all times and work in your best interest.
- **Obedience.** The agent must carry out all of your lawful instructions.
- **Confidentiality.** The agent has an obligation to keep information confidential.
- **Reasonable care & skill** must be exercised in performing all duties.
- **Full disclosure** of all relevant information that is known by the agent and that may influence your decision or affect the value of the property.
- **Full accounting** of all money and property placed in the buyer's agent hands while acting on your behalf.

Your agent will promote your interests, represent you throughout the transaction and will act only as your agent unless you agree otherwise. For example, you might be interested in a property listed by the agent or another agent in the same brokerage. In this case, you may want to allow your agent and the brokerage to act as a dual agent, representing both you and the seller. In a dual agency situation, the fiduciary duties the agent owes to you and the seller change. Learn more about this in "Understanding Buyer Agency, Part II".

### Ensure your buyer's agent is a REALTOR®

Remember, not all agents are REALTORS®. In addition to complying with provincial laws, REALTORS® belong to the local real estate board and subscribe to the strict Code of Ethics and Standards of Business Practice of the Canadian Real Estate Association. This ensures you will receive the highest level of service, education and integrity.

Source: Alberta Real Estate Association

