

# Common law “Agency Relationships” section in the APS

## Agency Relationships section

In common law agency, the agency is between the client and the brokerage. Under common law agency, all licensees within the brokerage are deemed to know all relevant transaction information about principals (buyers and sellers with whom the brokerage has an agency relationship). The licensee that writes the offer completes the Agency Relationship section of the Agreement of Purchase and Sale for both parties. The following examples demonstrate the four possible ways to complete the Agency section based on the relationships the buyer and seller hold with the brokerage(s). If the agency relationship status of the seller is unknown, i.e. whether the seller is a client or a customer, contact the brokerage advertising the listing and ask.



## Simple Agency

The seller is represented by one brokerage and the buyer is represented by another brokerage.

### AGENCY RELATIONSHIP

12. The Seller and the Buyer acknowledge having received, read and understood the brochure entitled “Working With A Real Estate Industry Member” and acknowledge and confirm as follows:
- (a) The Seller does does not have an agency relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE
- (b) The Buyer does does not have an agency relationship with Red Hot Real Estate BROKERAGE and Joe Smith BROKERAGE REPRESENTATIVE
- (c) The Buyer and the Seller acknowledge that upon signing this Agreement they will have consented to a Transaction Brokerage relationship with \_\_\_\_\_ BROKERAGE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE

## Seller Customer

The buyer is represented by the brokerage and the seller is a customer.

### AGENCY RELATIONSHIP

12. The Seller and the Buyer acknowledge having received, read and understood the brochure entitled “Working With A Real Estate Industry Member” and acknowledge and confirm as follows:
- (a) The Seller does does not have an agency relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE
- (b) The Buyer does does not have an agency relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE
- (c) The Buyer and the Seller acknowledge that upon signing this Agreement they will have consented to a Transaction Brokerage relationship with \_\_\_\_\_ BROKERAGE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE

## Buyer Customer

The seller is represented by the brokerage and the buyer is a customer.

### AGENCY RELATIONSHIP

12. The Seller and the Buyer acknowledge having received, read and understood the brochure entitled “Working With A Real Estate Industry Member” and acknowledge and confirm as follows:
- (a) The Seller does does not have an agency relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE
- (b) The Buyer does does not have an agency relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE
- (c) The Buyer and the Seller acknowledge that upon signing this Agreement they will have consented to a Transaction Brokerage relationship with \_\_\_\_\_ BROKERAGE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE

## Transaction Brokerage

The buyer and the seller are both represented by the brokerage (same licensee or two licensees).

### AGENCY RELATIONSHIP

12. The Seller and the Buyer acknowledge having received, read and understood the brochure entitled “Working With A Real Estate Industry Member” and acknowledge and confirm as follows:
- (a) The Seller does does not have an agency relationship with \_\_\_\_\_ BROKERAGE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE
- (b) The Buyer does does not have an agency relationship with \_\_\_\_\_ BROKERAGE and \_\_\_\_\_ BROKERAGE REPRESENTATIVE
- (c) The Buyer and the Seller acknowledge that upon signing this Agreement they will have consented to a Transaction Brokerage relationship with XYZ Realty BROKERAGE and Jane Doe BROKERAGE REPRESENTATIVE and Mark MacDonald BROKERAGE REPRESENTATIVE