

Legal Questions & Answers

September 2017

Question: If a broker decides they want to purchase the house they are currently listing, are they allowed to continue to represent the seller?

Answer: A broker cannot adequately continue to represent the seller if he or she wishes to purchase the listing, as this could constitute a conflict of interest. We would strongly suggest that the listing broker terminate his or her representation and advise the seller, in writing, to seek representation from another broker and/or counsel of an attorney, prior to entering into a OREF Residential Real Estate Sale Agreement.

Question: Is a buyer or a seller allowed to amend the pre-printed language contained in the OREF Residential Real Estate Sale Agreement regarding dispute resolution?

Answer: The parties may amend the pre-printed language contained in the agreement in an addendum. As the amendment could significantly impact the parties' rights, we would recommend that you advise them to consult with their own legal counsel regarding the legal implications. In addition, as the dispute resolution provisions impact not only the parties but also the brokers, it would be prudent to consider whether to be involved in a transaction in which the parties wish to amend this portion of the OREF agreement.