

January 2019

# COMMISSION CHECK IN



This information was prepared by the Kansas Real Estate Commission and emailed to Kansas real estate licensees to provide an overview of common violations. This is an example only, as different facts in a case may result in a different outcome.

## Question

On January 1, 2019, Salesperson Kim meets with a Seller and the Seller signs a seller agency agreement for the property located at 123 Main Street in Anywhere, Kansas. No designated agent is named in the seller agency agreement. Salesperson Kim places a for sale sign on the property and starts advertising on the internet.

On January 11, 2019, an unrepresented Buyer contacts Salesperson Kim to set up a time to view the property located at 123 Main Street. The Buyer decides to purchase the property. In order to assist the buyer with the purchase, Salesperson Kim notifies the Buyer and Seller that a transaction broker addendum is needed. The Buyer and Seller sign the transaction broker addendum and Salesperson Kim assists the Buyer and Seller as a transaction broker.

Is this an appropriate use of a Transaction Broker Addendum?

## Answer

No. A transaction broker addendum was not necessary. Salesperson Kim could have assisted the Buyer and Seller as a Seller's Agent. Salesperson Kim and Salesperson Kim's supervising broker were cited for violations of K.S.A. 58-30,109(a).

The Brokerage Relationships in Real Estate Transactions Act allows for the use of a transaction broker addendum in two situations. The two situations are as follows:

- 1) The broker has an agency agreement with BOTH the buyer and the seller and Neither agency agreement names a designated agent, or
- 2) The broker has an agency agreement with BOTH the buyer and the seller and BOTH agency agreements name the SAME affiliated licensee as a designated agent.