

## Case #1:

### **Martin and His Multiple Clients**

Martin has shown his buyer client Sally at least 10 properties for sale over the past two months. Sally actually made less-than-full price offers on three of the properties but lost out to better offers. Yesterday, Martin showed Sally a new listing on Orchard Street that had just been listed by Jim, one of Martin's fellow agents at XYZ Realty. Sally wanted to think it over and said she would get back to Martin today.

Early this morning, while Martin was on desk duty, George walked into the office. He had seen the For Sale sign on the Orchard Street property and wanted to see it right away. Martin quickly went over the Buyer Agency Agreement with George, obtained George's signature and proceeded to show the house. George loved it and returned to the office with Martin to prepare an Offer to Purchase. The contract was written at full price with a contingency for a home inspection and settlement in 30 days.

Luckily for Martin, listing agent Jim was in the office and arranged to meet the seller over her lunch break. Seller Helen had just been informed by her boss that morning that she was to be promoted and transferred to the new branch office in another city in 30 days, rather than the 3 months that she had previously thought. Helen signed the contract, agreeing to the home inspection contingency and a settlement date in 30 days.

At 4:00 pm, Sally left a message for Martin that she wanted to meet him at 7:00 pm to write up an offer on the Orchard Street property. When Martin called back and told her that a contract had just been ratified to which she was very disappointed. When Sally found out after further inquiry that Martin was actually the selling agent on said property, she was furious. She accused him of failing in his agency responsibility to her as her buyer agent. She felt that he had not acted in her best interests because he knew that she was interested in purchasing that home, and she told him that she planned to charge him with an ethics violation and to sue the brokerage for violating state agency law.

1. All of the following statements of fact involved in this case are true and would have an impact on the ethical situation, EXCEPT:
  - a. Sally has made offers on 3 properties.
  - b. Sally told Martin she might want to buy the Orchard Street property.
  - c. Martin brought the Orchard Street property to George's attention.
  - d. Sally feels that Martin has failed his agency responsibilities to her.
  
2. In this situation, the broker at XYZ Realty has a primary duty to promote and protect the best interests of:
  - a. Sally
  - b. George
  - c. Helen
  - d. all 3 clients

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### Case Study #1 ANSWER:

1. C – The answer is Martin brought the Orchard Street property to George's attention. George walked into Martin's office after seeing the For Sale sign on the property.
  
2. D – The answer is all 3 clients. The XYZ broker has a brokerage relationship with all three clients and must take care to maintain confidentiality.

