

## TOURING AGREEMENTS

The MREC has recently received numerous questions about whether “Touring Agreements” may be used by Brokerage Firms to offer Touring Services” to “consult with prospective purchasers” on specific properties without entering into a “Written Agency Relationship” with those individuals---even if the Firm is not going to receive compensation and/or the agreement specifically states that the Buyer is not a Client?

The short answer is, NO. Chapter 4 of the MREC Administrative Rules is quite specific and REQUIRES that a Brokerage Firm (licensee) acquire a signed Working With a Real Estate Broker (WWREB) form prior to the happening of the following events:

\*Showing any property to a prospective Purchaser OR showing the property of a Seller to a potential Buyer.

\*Eliciting any confidential information from a Seller OR a Buyer concerning their real estate needs, motivation(s) to sell or buy, or their financial qualifications.

\*The execution of “any document” by a Seller or a Buyer when said document is typically associated with or is part of a real estate transaction.

A WWREB form is not needed if a prospective Seller or Buyer is shown an “Open House or Model Home,” if conversations with the Seller or Buyer are “small talk” concerning price range, location and property styles, or if a licensee is responding to general factual questions about a property being advertised for sale or lease.

**NOTE:** A licensee (Brokerage Firm) MUST represent at least one of the parties in a transaction in order to receive compensation in Mississippi.

The MREC Administrative Rules do ALLOW Brokerage Firms and licensees to practice “Disclosed (written) Dual Agency” and represent both the Sellers and the Buyers in a transaction.