



## 3 LEVELS OF AGENCY RELATIONSHIPS

Under Wisconsin law, buyers have choices in their relationship with an agent. There are essentially three options available under Wisconsin law:

### LEVEL 1: PRE-AGENCY

Buyer in pre-agency is not a client or a customer of the real estate firm and its agents. In pre-agency, the firm and its agents may provide the buyer services such as showing properties and act as a neutral information provider, but the firm cannot negotiate for the buyer. If the buyer would like to write an offer on a property, then pre-agency ends, and the buyer has a choice to continue as a customer or client.

### LEVEL 2: BUYER AS CUSTOMER

Buyer in a sub-agency relationship or Customer relationship would receive the duties owed to all parties, including the authorization for negotiation. However, the buyer would not receive client-level services and would not receive price advice such as how much a buyer should offer on a property or recommendations on which properties to pursue. In a sub-agency relationship, or Customer relationship, the agent cannot put the buyer's interests ahead of the seller's interests.

### LEVEL 3: BUYER AS CLIENT

When a buyer wants to have access to the full suite of brokerage services, the buyer would sign a written buyer agency agreement with the firm and become the firm's client. When a buyer is a client, the firm can put the buyer's interests ahead of the seller's interests. When a buyer is a client, the firm can provide information and advice such as how much the buyer should offer for the property and negotiate recommendations regarding which properties to pursue.

