



Real Estate Governed By Statute

Dear Dave: A friend of mine listed his home for sale and told me that the agent wanted to buy it himself so they cancelled the listing and worked out a private deal. I thought my friend should have made more money than he did but I guess it would have cost him 6% in fees to do that. Who keeps Realtors in line?

Answer: The real estate industry in Alaska is regulated by Alaska Statutes (AS 08.88) and these Statutes exist to protect the best interests of the general public. There is nothing necessarily wrong with a Licensee conducting a private real estate transaction provided that the transaction is copied to the Broker of his office. AS 08.88.331 unequivocally requires this.

The reason for the Regulation is that the Broker is responsible for the professional actions of all licensees in his or her office.

The particular deal you describe does seem like there could be conflicts of interest, including the one you mention. Could your friend have made more money by a properly executed listing agreement and marketing of the property, even with a brokerage fee involved?

As a consumer, you may rest assured that there are many Articles in the Statute AS 08.88 that ensure your protection, with severe penalties for breaches of those Regulations, including revocation of the license of a person involved.

In addition, 90% of Licensees in Alaska are also members of the National Association of Realtors and, as Realtors, are pledged to a Code of Ethics beyond the Statutes and subject to discipline within that body also.

If you feel you have been 'cheated' by a Real Estate Licensee you may always contact the Real Estate

Commission to lodge a complaint, or call your local Board of Realtors, but always call the Licensee's Broker first. All of us make unintentional mistakes at times but consistent unlawful or unethical behavior does not go unnoticed and there are laws to ensure your protection, particularly in real estate.

Dave

Wilson

