



**February Tip of the Month:  
What constitutes dual representation?**

Dual representation is a situation where a salesperson represents both parties in the same property transaction, whether it be residential, commercial, or industrial properties. This creates a conflict of interest as it is not possible for the salesperson to act in the best interests of both parties.

Dual representation is an offence under the Estate Agents Act and salespersons found guilty of it can be liable to a fine and/or a jail term.

Do the following scenarios constitute dual representation?

Scenario	Is this considered as dual representation?
In a sale and purchase transaction, the salesperson represents both the buyer and seller.	Yes
In a rental transaction, the salesperson represents both the landlord and tenant.	Yes
The salesperson representing the tenant manages the same property for the landlord.	No, as long as: <ul style="list-style-type: none"> <li>• The scope of management of the property does not involve estate agency work and is properly defined, e.g. arranging for contractors to maintain or repair fixtures and fittings,</li> <li>• The salesperson has obtained written consent from the landlord to act for the tenant, and</li> <li>• The salesperson declares this conflict of interest (arising from the salesperson’s obligations to manage the property for the landlord) in writing to the tenant and gets the tenant’s written consent before he acts or continues to act for the tenant.</li> </ul>
The salesperson collects a fee from a developer for introducing a buyer.	No, as long as: <ul style="list-style-type: none"> <li>• The salesperson is not representing the buyer, or</li> <li>• The salesperson is representing the buyer but does not collect any fees or commission from the buyer.</li> </ul>
The salesperson helps the other party with the paperwork.	No, as long as: <ul style="list-style-type: none"> <li>• It is clear to all parties that the salesperson is only acting for his client,</li> <li>• The salesperson has obtained his client’s written consent to help the other party with the paperwork, and</li> <li>• The salesperson does not collect a fee from the other party.</li> </ul>

Our *CEA*energy [article](#) has more examples of what salesperson should not do in the course of their work.

*[Information accurate as at 25 February 2020. This emailer is sent to all salespersons registered with CEA. Visit our [website](#) for past Tips of the Month].*

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