REAL ESTATE EDUCATION SERIES

RE/MAX Properties

Colorado Brokerage Relationships

Buyer agency / Seller agency / Transaction brokerage

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Know whom your broker represents before discussing your negotiating position. In Colorado, an agent advocates for one client; a transaction broker assists one or both parties without acting as either party's agent or advocate.

Role	Relationship	Responsibilities in practice
Buyer's agent	Represents the buyer with good faith, loyalty, and fidelity.	Helps seek acceptable price and terms; advises on known benefits and risks; negotiates as the buyer's advocate.
Seller's agent	Represents the seller with good faith, loyalty, and fidelity.	Helps seek acceptable price and terms; advises on known benefits and risks; negotiates as the seller's advocate.
Transaction broker	Assists one or both parties without agency loyalty or advocacy for either.	Can advise, assist negotiations, communicate offers, and help fulfill contract terms and close. Does not champion one side's interests.

Duties shared by all three roles

Brokers must use reasonable skill and care, present offers promptly, account for money and property, comply with applicable laws, and recommend expert help when needed. Required disclosures include known adverse material facts about the property and relevant buyer ability to perform.

Confidentiality still matters

Negotiating limits, motivation, and alternative financing terms receive legal protection. An agent generally needs the client's express written consent to disclose protected information; a transaction broker generally needs all parties' express written consent. Legal disclosure duties and limited statutory exceptions still apply.

Written agreements are required

Since August 12, 2026, both agency and transaction-broker relationships must be established by written agreement before licensed brokerage activities. The agreement must conspicuously state compensation. A brokerage disclosure or the compensation section alone does not establish the relationship. Review role, services, term, and fees before signing.

One broker cannot be both parties' agent

Colorado prohibits dual agency. Separate designated brokers in one firm may represent different parties. A change from agency to transaction brokerage requires the proper written change-of-status disclosure; ask how the change affects advocacy. A customer has no brokerage relationship with that broker.

ASK DOUG WHICH RELATIONSHIP FITS YOUR GOALS

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Sources: C.R.S. 12-10-403 through 408; Colorado Division of Real Estate advisory, August 12, 2026. Reviewed October 2026. Educational summary; not legal advice. Each office independently owned and operated.