

## Best of the Hotline

By James L. Goldsmith, Esquire

**Facts.** Broker A received a letter from a “cooperating” salesperson stating that no one from Broker A’s office could show her listing. This letter was not signed by Broker B, the cooperating agent’s broker.

As it turns out, there is a history between the non-cooperating agent and Broker A. The agent was formerly affiliated with the Broker A and apparently their relationship ended badly. The agent still has a great deal of animus toward her former broker and therefore wants no one from her former Broker A’s office to step inside her listed property. More importantly, she wants no one from Broker A’s office to earn a commission by selling the current listing.

**Q. Is the agent justified in refusing to cooperate with her former broker and his office?**

**A.** Not in this case. A real estate brokerage is required by the *Code of Ethics* to cooperate with other brokers. This duty to cooperate is subordinate to a seller’s demand that her broker not cooperate with certain buyers, agents, or brokers.

In this particular example, however, the cooperating agent is refusing to cooperate out of the animus she holds toward her former broker rather than her seller’s demand not to cooperate. Her refusal to cooperate, therefore, would seem to be a violation of the *Code of Ethics*. I should note that we are reluctant to say what does and does not constitute a breach of the *Code of Ethics* as only a three-member hearing panel who heard the case is authorized to make that determination.

Are there reasons why a seller is justified in refusing to allow his real estate broker to cooperate with another brokerage? Yes, though there are not many examples that immediately come to mind. I do recall a circumstance where a seller was familiar with a salesperson who lived next door. Without going into details, the seller had a sensible reason why that particular salesperson should not be permitted to enter the property for showing or selling. In this particular case, the listing broker, by letter, informed the broker of the to-be-excluded salesperson that the salesperson was not welcome to enter the property, the salesperson could not be part of any transaction for the sale of the property, and that no cooperating compensation was offered to the excluded salesperson. This clearly was the seller’s wish and therefore justified.

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