



## Best Interests of the Client

### “Winning Offer”

This case study highlights the importance of understanding your clients’ objectives, expectations, and failing to safeguard your client. The damage done in this case illustrates why it is important to listen to your client, lest you are accused of being in it simply for the commission.

### The Situation

Pat Grymes was issued a real estate salesperson license in 2015 and was affiliated with New Town Realty LLC, a brokerage firm.

On January 3<sup>rd</sup>, 2023 Pat Grymes represented a buyer who entered into a contract for the purchase of a property.

Grymes also represented the buyers in the sale of their own property.

### The Investigation

Grymes’ clients were seeking to sell their home and use the proceeds to purchase another suitable property. Grymes advised his clients that they could potentially either list their current property and purchase another contingent on the sale; or conversely that they could purchase another property and then sell their current property.

Grymes was informed by his client’s lender that they cannot qualify for a new property without selling their current one. His clients informed him to sell their property at \$2,010,000. However, Grymes only listed it for \$2,000,000.

Grymes showed a new listing, on the market for a few days, to his clients. They expressed interest and decided they would like to submit an offer. The property was listed for \$2,504,000 and had appraised for more. The clients, however, wanted to offer below asking price. Grymes, insisted to his clients that

they should only offer full asking price, so that they have a “winning” offer. The clients begrudgingly agreed.

When the offer was being drafted the clients were asked a series of questions by another licensee whose affiliation was not described. The contract was being drafted as it turns out, by the listing agent with no input from Grymes. The clients added the pre-approval letter from their lender which stated that they needed to sell their current home. No home contingency sale was added to the contract.

The client’s current home was not selling, and Grymes insisted that they lower the price further. It was at this time that they also realized that there was no contingency in their current contract, and they were due to lose their EMD because they could not perform.

#### The Result

The Board found Mr. Grymes had violated 18 VAC 135-20-260. They fined him \$2,000 and he had to conduct 12 hours of classroom hours as approved by the court.

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