

Transaction Coordinator Policy

Purpose and Scope

This policy exists to ensure compliance, consistency of service, and protection of brokers working with Transaction Coordinators (TCs). It applies only to TCs who are formally approved and listed by CENTURY 21 Real Estate Center.

While brokers are not required to use a TC, the firm strongly recommends working with vetted TCs from within our own office. The Washington State Department of Licensing has raised oversight concerns when brokers engage outside TCs, so working with firm-approved TCs provides greater accountability and compliance protection.

Why It's Important to Use a TC Within Your Own Firm

CLEAR OVERSIGHT

The Department of Licensing has stated that it is not clearly defined who oversees a TC when they are working independently or for an outside company. Within your firm, oversight is clear - the Designated Broker and branch managers have authority and accountability.

COMPLIANCE AND ACCOUNTABILITY

When a TC is under your firm's approved list, they are vetted, trained, and operating under documented agreements. This protects the broker if questions or audits arise.

CONSISTENCY OF STANDARDS

In-house TCs work under the same systems, timelines, and compliance practices as the rest of your office. This reduces errors and confusion that can happen when outside providers follow different processes.

SIMPLIFIED BILLING AND RECORDS

Payments are processed through closing by the firm, and agreements are kept on file. This prevents disputes and ensures brokers aren't left handling independent invoices or chasing documentation.

REDUCED RISK TO THE BROKER

If a TC outside the firm makes an error, liability can be murky. Using an in-house vetted TC ensures the broker is protected because the firm has already reviewed the TC's training and agreements.

Eligibility and Qualifications

CENTURY 21 Real Estate Center accepts both licensed and unlicensed TCs into the program. Each must meet the following minimum requirements:

- Application submitted to the firm
- Proof of competency, including sample contracts, timelines, and scenario-based assessments
- Verification of Northwest MLS Matrix training, listing input training, and Transaction Desk training
- Demonstrated understanding of contract terminology and general firm practices
- Annual re-vetting by the firm

Approval Process

- Applications are reviewed by the Designated Broker and/or Branch Managers.
- Interviews focus on personality fit, experience, contract understanding, and clarity on role boundaries.
- Approved TCs are added to the firm's TC list and published on the website/agent portal.
- All approvals are reviewed annually.

Agreements and Oversight

There are always two agreements in place:

- 1. Firm-to-TC Agreement** – Governs compliance, access, and expectations.
- 2. Broker-to-TC Agreement** – Defines scope of work, services, and fees.

The firm retains a copy of each Broker-to-TC agreement for compliance.

Services and Boundaries

- Each TC defines their own service structure, fees, and base package.
- TCs are not to provide legal or tax advice.
- TCs, even if licensed, are not to negotiate contracts on behalf of clients. Negotiations are solely the broker's responsibility.
- Brokers should review each TC's bio and service offering carefully to ensure a good fit.

Billing and Fees

- All base TC fees are processed through the closing of the transaction by CENTURY 21 Real Estate Center. The firm handles payment and issues 1099s.
- Brokers must note TC involvement on the transaction sheet prior to closing.
- Any additional one-off services (such as attending inspections, placing signs, or showing homes) must be paid directly to the TC unless otherwise agreed upon.
- Disputes over fees are avoided by ensuring a written Broker-to-TC agreement is in place prior to work beginning.

Training and Development

As independent contractors, TCs are not required to complete ongoing training. However, the firm strongly encourages TCs to pursue additional education and update their bios with completed courses.

Communication and File Oversight

- Brokers are expected to interview a TC prior to committing, to ensure mutual fit and expectations for communication and timelines.
- TCs must copy the firm on all file communications for compliance purposes.

Access and Review

- The official TC Policy will be housed in the firm's Agent Portal under the TC section.
- This policy will be reviewed annually and updated as necessary.
- A detailed checklist of the firm's TC vetting process will be included as an appendix.

Switching TCs Mid-File

Changing TCs during an active transaction is highly discouraged. It should only occur in rare, specific circumstances requiring immediate attention.

- The office and branch manager must be notified.
- A clear written outline of fees owed to the outgoing TC and the new TC must be documented.
- Leadership consultation is required before making this decision.

Appendix: TC Vetting Checklist

- Application submitted
- Proof of competency (sample contract, sample timeline, scenario test)
- Verification of NWMLS Matrix, Input, and Transaction Desk training
- Interview completed (personality fit, role clarity, contract understanding)
- Agreements signed (Firm-to-TC, Broker-to-TC)
- Annual review date scheduled



Licensed vs. Unlicensed TCs

The firm explicitly acknowledges the pros and cons of each:

LICENSED TC (BROKER LICENSE HELD)

PROS

- **Deeper knowledge base** – Strong understanding of contracts, timelines, and industry standards.
- **Credibility** – May give brokers and clients added confidence knowing the TC is licensed.
- **MLS independence** – Can access and update listings under their own credentials (where allowed).
- **Stronger compliance awareness** – More likely to understand DOL rules, fair housing, and agency obligations.

CONS

- **Blurred boundaries** – Even though licensed, they cannot negotiate or represent clients. Some brokers or clients may mistakenly assume they can.
- **Cost** – Licensed professionals may charge higher fees.
- **Liability risk** – If a licensed TC crosses into brokerage duties, both they and the firm could face compliance issues.

UNLICENSED TC

PROS

- **Focused role** – Their entire function is administrative and compliance-based, which keeps them squarely in the TC lane.
- **Cost-effective** – Generally lower fees than licensed TCs.
- **Less confusion with clients** – No risk of being mistaken for an agent who can negotiate or advise.

CONS

- **Limited scope** – Cannot perform any activity that requires a license (for example, discussing contract terms or giving advice on negotiations).
- **MLS dependence** – They rely on firm-provided access and permissions to work in the system.
- **Learning curve** – May need more time to fully understand contract nuances, timelines, and industry language compared to a licensed TC.