



Top 3 E&O Mistakes Agents Make – and How to Help Them Avoid Claims

Most real estate professionals don't wake up thinking about insurance. But when something goes wrong — a missed disclosure, a contract error, or a miscommunication with a buyer — they quickly realize just how crucial E&O coverage really is.

As a brokerage leader, you can't control every move your agents make. But you can put guardrails in place to reduce risk and support better outcomes. Here's how.

The 3 Most Common (and Costly) Agent Mistakes

1. Failure to Document Conversations and Decisions

Verbal promises, last-minute changes, or handshake deals are a recipe for trouble. When things go south, if it's not in writing, it didn't happen — and that's where lawsuits start.

2. Overstepping Expertise

Agents sometimes cross the line from advising to interpreting legal documents, zoning issues, or inspection results. Even with good intentions, stepping outside their role can trigger E&O claims.

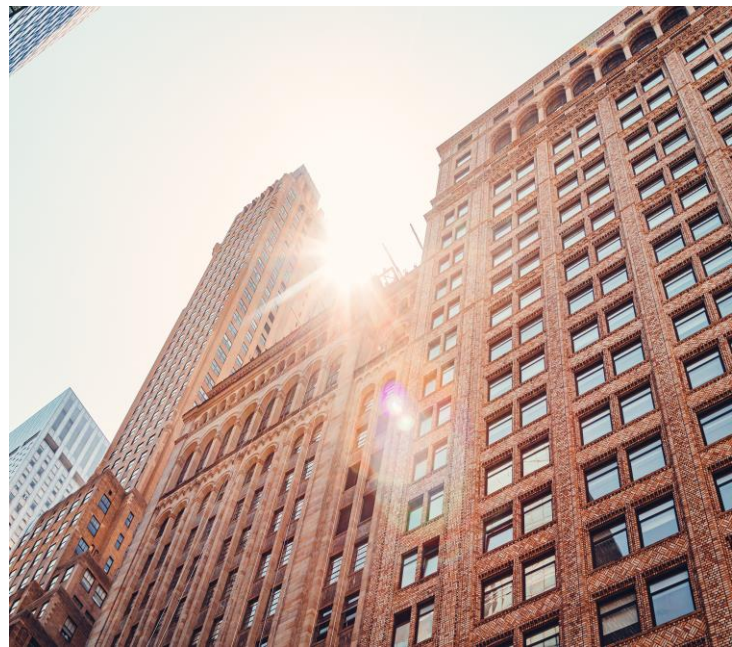
3. Inconsistent Use of Disclosures and Forms

One forgotten form or unchecked box can expose the firm to liability. This is especially common with newer agents or those who rely heavily on templates without reviewing the details.

These Aren't Just Agent Mistakes — They're Brokerage Risks

While the agent may be the one in the spotlight, the brokerage often bears the legal and financial consequences. Even with E&O in place, these claims can lead to:

- Deductible expenses
- Higher premiums or loss of favorable terms
- Reputational damage with clients and partners





For more information, contact:

**BLAKE SCHELLENBERG**

Executive Vice President

503.701.6553

blake.schellenberg@imacorp.com

**JOHN AUSTIN**

Producer

925.297.7443

JAustin@riskpointins.com

**ANNIE NEAL**

Vice President

435.513.1745

Annie.Neal@imacorp.com

Position Your Firm as a Safety-First Partner

The good news? Most of these risks are preventable with better education, clearer processes, and stronger policy support.

At IMA, we help brokerages:

- Provide training around documentation, disclosures, and risk boundaries
- Offer E&O policies that include agent education, defense resources, and access to experienced legal counsel
- Communicate coverages w/ management

We're not just here when things go wrong — we help make sure they don't.

Let's connect to talk about how your current E&O strategy supports (or could better protect) your agents and your brand.

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