

YOUR RELATIONSHIP WITH A REALTOR®

Buying, selling or leasing real estate is a significant financial transaction. To help you ensure your experience is a rewarding one, it is advisable that you learn the legal and professional guidelines that will define the working relationship you have with your REALTOR®.

This brochure also explains the collection, use and disclosure of personal information under Privacy guidelines. If you are still unclear about any of these concepts, feel free to seek legal counsel.

REAL ESTATE DEFINITIONS YOU SHOULD KNOW

REALTOR® is often used interchangeably with licensee, real estate agent or representative to describe someone licensed under the *Real Estate Services Act*. A **Designated Agent** is the person(s) designated by the Brokerage to act for you, the Client, as your sole agent in real estate transactions. This person is almost always a licensed REALTOR®. **Brokerage** refers to the real estate company where your REALTOR® is licensed.

The **Boards** are the real estate boards of which the Brokerage and the REALTOR® are members. The Boards set and enforce the professional standards of members, and will help resolve disputes between member REALTORS® and the public. The **Multiple Listing Service® System** (MLS®) comprises a computerized database of real estate listings and sales, operated by the Boards in conjunction with The Canadian Real Estate Association. In documentation, the **buyer/tenant** is often referred to as the *purchaser*, the **seller/landlord**, the *vendor*, the **landlord** the *lessor*, and the **tenant** the *lessee*. The **client** (sometimes called the principal) is someone who has engaged a Designated Agent and their Brokerage to act for and on his or her behalf either to buy, sell or lease real estate. The **customer** is a buyer/tenant or seller/landlord who receives services from a REALTOR(S)® who is not their Designated Agent.

THERE ARE THREE POSSIBLE MODELS YOU CAN USE TO BUY, SELL OR LEASE PROPERTY THROUGH A REALTOR®

DESIGNATED AGENCY

When a brokerage designates a REALTOR® or REALTORS® to work solely on your behalf in real estate transactions, the REALTOR® and brokerage are bound by ethics and the law to be honest and thorough in representing you. The REALTOR® appointed as your Designated Agent must:

- Provide undivided loyalty to you (Client) by protecting your negotiating position at all times, and disclosing to you all known facts which may affect or influence your decisions. Your Designated Agent will not be able to disclose to you confidential information obtained from other clients;
- Act within the scope of the authority granted by you and obey all lawful instructions which you give the REALTOR® to act on your behalf;
- Maintain the confidentiality of your information (financial, legal, personal, etc.) (See following PRIVACY section);
- Use reasonable care and skill in performing all assigned duties in the role as agent.
- Unless the brokerage and you agree otherwise the duties of your Designated Agent do not apply to the brokerage or any of its other REALTORS®.

The brokerage must:

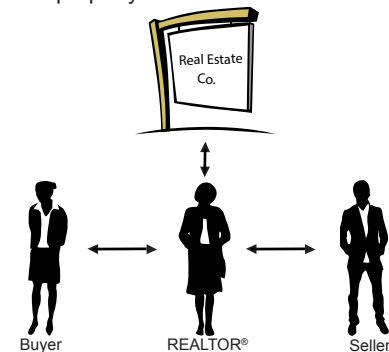
- Supervise your Designated Agent;
- Maintain the confidentiality of your information;
- Account for all money and property placed in its hands while acting for you;
- Treat you and all of its clients in an even handed, objective and impartial manner.

LIMITED DUAL AGENCY

Limited Dual Agency occurs when the Designated Agent represents *both* the buyer/tenant and seller/landlord in the same transaction or two buyers competing for the same property. In this arrangement, the REALTOR® cannot be concerned *exclusively* with your interests in the transaction, since they are acting on behalf of the other party as well. Both the seller and the buyer or the competing buyers should fully consent to a limited dual agency arrangement in writing.

A REALTOR® who has consent to work as a limited dual agent must adhere to the following restrictions:

- Deal with both parties impartially;
- Have a duty of disclosure to both clients, except that:
 - REALTOR® must not disclose that the buyer/tenant is willing to pay a price or agree to terms other than those contained in the offer, nor disclose that the seller/landlord is willing to accept a price or terms other than those contained in the listing;
 - in the case of competing buyers, the REALTOR® must not disclose the amount or terms of any offer to purchase or lease made or contemplated by either buyer/tenant;
 - REALTOR® must not disclose the motivation of one Client to the other Client, unless one of the Clients has authorized such disclosure themselves;
 - REALTOR® must not disclose buyer/tenant's or seller/landlord's personal information to the other Client, unless authorized in writing. (This refers to information not otherwise disclosed in the transaction documents.)
- Must disclose to the buyer/tenant any defects about the physical condition of the property that are known to the REALTOR®.



CUSTOMER RELATIONSHIP: Working With a REALTOR® Who is Not Your Agent

You may also choose to use the services of a REALTOR® without having any kind of agency relationship. This might occur, for example, when you contact or are being shown a property by the seller/landlord's Designated Agent who will treat you as their customer rather than their client.

In this situation, the REALTOR® is not permitted to recommend or suggest a price, negotiate on your behalf, inform you of their client's bottom line price point or disclose any confidential information about their client unless otherwise authorized by the client (or if in special circumstances, the law required it). However, the REALTOR® can provide you with other services, such as:

- Explaining real estate terms, practices and forms
- Assist in screening or viewing properties
- Prepare and present all offers and counter offers at your direction
- Inform you of lenders and their policies
- Identify and estimate costs involved in a transaction

YOUR RESPONSIBILITIES AS A BUYER/TENANT OR A SELLER/LANDLORD

As a buyer/tenant or a seller/landlord, you should:

- Carefully read all documents and understand what you are signing.
- If you need special or expert advice, seek other professionals for advice.

PRIVACY

In order to help you sell, buy or lease real estate. REALTORS®, Brokerages and real estate boards need to collect, use and disclose some of your personal information.

Personal Information means any personal information about you, including your name, address, phone number, financial information and may include information about your property (such as listing and selling price, lease rate, listing term, etc.).

How is my personal information collected? Most personal information will be collected directly from you through the contracts and other documents you fill out (e.g., Multiple Listing Contract, Contract of Purchase and Sale, Offer to Lease, seller's Property Disclosure Statement) and through discussions you have with your REALTOR®. Some information may be collected from other sources such as government departments and agencies (e.g., Land Title Offices, BC Assessment), financial institutions and mortgage brokers.

To whom may my personal information be disclosed? Your information may be disclosed to (or may be accessible by) the Boards and their staff and members, other real estate boards and their staff and members, other REALTORS® and their clients, government departments and agencies, financial institutions, legal advisors, service providers, the British Columbia Real Estate Association, the Real Estate Council of British Columbia, The Canadian Real Estate Association and members of the public, for the purposes described below. Not all of your information will be accessible to each of the above-mentioned entities. For example, once the listing term has ended, the general public will not have access to your information unless it is otherwise available through public registries (e.g., BC Assessment, Land Title Offices).

PURPOSES FOR COLLECTING, USING AND DISCLOSING PERSONAL INFORMATION

Why is my personal information collected, used and disclosed? Your information may be collected, used and disclosed for some or all of the following purposes:

- a) To allow members of real estate boards (including REALTORS® and appraisers) to appraise your property.
- b) To list your property with the Multiple Listing Service® System in order to market your property.
- c) To market your property for sale or lease through any other media (both print and electronic).
- d) To help you locate a suitable property to purchase or lease.
- e) To facilitate the purchase and sale or lease transaction (by cooperating with financial institutions, legal advisors and government departments and agencies).
- f) To allow the Boards and other real estate boards and their members (including REALTORS® and appraisers) to compile current and historical statistics on sales and property prices and lease rates, and to conduct comparative market analyses. Information about your property will be retained in the Multiple Listing Service® System for these purposes after your property has sold or leased or your listing has expired (if you are a seller/landlord) and after you have purchased or leased your property (if you are a buyer/tenant).
- g) To enforce codes of professional conduct and ethics for members of real estate boards (by cooperating with real estate boards, the British Columbia Real Estate Association, the Real Estate Council of British Columbia, The Canadian Real Estate Association and other regulatory bodies).
- h) To comply with legal requirements and to act pursuant to legal authorizations.

The above-mentioned collections, uses and disclosures are a necessary part of your relationship with your REALTOR®.

Will my personal information be collected, used and disclosed for any other purposes? Your information may also be collected, used and disclosed for the following additional purposes:

- a) Your REALTOR® may communicate with you in future to determine whether you require additional real estate services.

- b) Your REALTOR® may communicate with you to provide information about other products or services which may interest you.
- c) Other REALTORS® may communicate with you to determine whether you require additional real estate services.
- d) The Boards, other real estate boards and their members, and survey firms on their behalf, may communicate with you to determine if you wish to participate in customer satisfaction surveys and other surveys.

These additional purposes are optional. If you do not want your personal information disclosed or used for these purposes, please contact the Board's privacy officer.

Contact information for all real estate boards within BC can be found at the British Columbia Real Estate Association website: www.bcrea.bc.ca or telephone 604.683.7702.

ACKNOWLEDGEMENT

REALTORS®, Brokerages and real estate boards need to collect, use and disclose some personal information to help you sell, buy or lease real estate.

I/We consent to the Boards, other real estate boards, the Brokerage and the REALTOR(S)® collecting, using and disclosing personal information for the purposes (and to the recipients) described in the brochure.

I/We further understand that I/we will be signing additional documentation acknowledging the type of agency that I/we receive and consenting to the collection, use and disclosure of personal information.

This is not a service agreement and does not impose any contractual obligations.

I/We acknowledge having received and read the brochure *Working With a REALTOR®* from the REALTOR® named below and have obtained satisfactory answers to any questions that it raised. I/We understand the various types of relationships that may occur between myself/ourselves and a REALTOR® and acknowledge that my/our relationship with the undersigned REALTOR(S)® is:

a client relationship under Designated Agency

Initials Initials

OR

a customer relationship

Initials Initials

ACKNOWLEDGED BY:

NAME (PRINT)

SIGNATURE

NAME (PRINT)

SIGNATURE

NAME OF REALTOR® (PRINT)

PER: REALTOR®'S SIGNATURE

NAME OF REALTOR® (PRINT)

PER: REALTOR®'S SIGNATURE

NAME OF BROKERAGE (PRINT)

_____, Yr. _____
DATED