

Know Your Options as a Real Estate Consumer

Considering a real estate transaction? One of the first decisions you will need to make is whether you should work with a licensed real estate professional who will represent you. Take a moment to read this important consumer protection information from the Real Estate Council of BC.

This form explains the special legal duties that real estate professionals owe to their clients. It will help you choose whether you want to be:

- a **CLIENT** of a real estate professional, who will represent you in the transaction, or
- an **UNREPRESENTED PARTY** with no real estate professional representing you.

Why are you getting this form?

A real estate professional is required to give you this form before working with you, and must explain it to you.

How to use this form:

Read over this information and ask about anything that is not clear to you. You can complete the optional consumer fields to indicate that you've discussed this information with the real estate professional.

What happens next?

After you've reviewed the form and completed the optional consumer fields, the real estate professional must complete and sign it.

Learn more about this form and other information for real estate consumers at www.recbc.ca.

The Benefits of Representation

Many people choose to have a real estate professional represent them in real estate transactions to help them make informed decisions. As a client, you'll benefit from:

Expert advice

In BC, licensed real estate professionals receive specialized training.



Protection

Real estate professionals in BC are licensed under the *Real Estate Services Act*. It is legislation designed to protect the rights of consumers.



Oversight

The Real Estate Council of BC works to ensure real estate professionals are competent and knowledgeable. If you have a concern about a real estate professional, you can file a complaint by visiting our website at www.recbc.ca. We can investigate and discipline individuals for professional misconduct.



What to Expect as a Client

When you become the client of a real estate professional, they owe you special legal duties as your agent:

- ☑ **Loyalty:** they must put your interests first, even before their own.
- ☑ **Avoid conflicts of interest:** they must avoid any situation that would affect their duty to act in your best interests.
- ☑ **Fully disclose relevant information:** they must give you all the facts they know that might affect your decisions.
- ☑ **Protect your confidentiality:** they must not reveal your private information without your permission, such as:
 - your reasons for buying/selling/leasing/renting
 - the minimum/maximum price you are seeking
 - any preferred terms and conditions you may want to include in a contract.

What to Expect as an Unrepresented Party

If you choose not to have a real estate professional represent you, you are an unrepresented party. You are not entitled to the special legal duties a client receives.

- ☒ **No loyalty:** the real estate professionals involved in the transaction are representing clients with competing interests to yours. They must be loyal to their clients, not you.
- ☒ **No duty to avoid conflicts:** no real estate professional is acting in your interests.
- ☒ **No full disclosure:** the real estate professionals involved in the transaction do not have a duty to give you all relevant information.
- ☒ **No confidentiality:** the real estate professionals involved in the transaction must share any information you tell them with their client.

Your Options as a Client

In BC, real estate professionals provide their services through licensed companies known as brokerages. If you decide to become the client of a real estate professional, you will sign an agreement with their brokerage. Depending on how the brokerage operates, you will be represented as a client in one of two ways:

1

Designated Agency

Your real estate professional will represent you as a “designated agent”. Only your designated agent will owe you the legal duties explained above. Your agent must not share your confidential information with others at the brokerage without your permission.

2

Brokerage Agency

You will be represented by **all** the real estate professionals at the brokerage. They will **all** owe you the legal duties explained above. They must **all** protect your confidential information.

Either way, as a client of a licensed real estate professional you will benefit from expert advice, oversight and protection.

This is a disclosure made in compliance with section 5-10 of the Rules under the Real Estate Services Act.

Instructions

Consumers: Please complete the optional fields below to indicate that you received this consumer protection information.

After reading this form, if you decide that you do not need a real estate professional to represent you, a real estate professional may be required to present you with the Disclosure of Risks to Unrepresented Parties form.

Real Estate Professional: Complete and sign to indicate you have provided this disclosure to the real estate consumer. Promptly submit this form to your brokerage.

Mandatory Real Estate Professional Confirmation

I confirm that I have:

- I provided the consumer with the Disclosure of Representation in Trading Services form.
I explained the special legal duties owed by a real estate professional to their client.
I explained the risks of being an unrepresented party in a real estate transaction.

I confirm that I will (check one):

- I represent the consumer as my client under designated agency.
I represent the consumer as my client under brokerage agency.
I deal with this consumer as an unrepresented party.

Name: _____

Brokerage: _____

Signature: _____ Date: _____

Notes: _____

See next page for Optional Consumer Confirmation.

Optional Consumer Confirmation

I confirm that the real estate professional disclosed the special legal duties owed to clients.

Yes No

I confirm that the real estate professional disclosed the differences between a client and an unrepresented party.

Yes No

I confirm that the real estate professional disclosed the risks of being an unrepresented party.

Yes No

I confirm that I choose to (check one):

- be a **client** represented by the real estate professional under **designated agency**.
 be a **client** represented by the real estate professional under **brokerage agency**.
 be an **unrepresented party**.

Consumer Name: _____

Consumer Signature: _____ Date: _____

Consumer Name: _____

Consumer Signature: _____ Date: _____

Section 8-4(a) of the Rules made under the Real Estate Services Act requires a brokerage to maintain a copy of all written disclosures and any related acknowledgements under Division 2 Part 5 of the Rules.

CONSUMER PRIVACY NOTICE

A real estate professional is providing you with this form because they are required to do so by the Rules made under the *Real Estate Services Act* (the "Rules"). **You are not required to provide your name or signature on this form.** However, the real estate professional you are dealing with may ask you to do so in order to document that they have provided you with this form as required by the Rules. The real estate professional will provide a copy of this form (including any personal information you have provided such as your name or signature) to their brokerage. The Real Estate Council of BC, the provincial body responsible for regulating real estate professionals, may review this form for the purpose of monitoring compliance with the Rules.

If you have any questions regarding the Real Estate Council of BC's collection and use of your personal information, please contact:

Privacy Officer, Real Estate Council of BC, 900-750 West Pender Street, Vancouver, BC, V6C 2T8; telephone: 604.683.9664 or toll-free at 1.877.683.9664; email: privacy@recbc.ca

A COPY OF THIS DISCLOSURE IS NOT REQUIRED TO BE PROVIDED TO THE REAL ESTATE COUNCIL OF BC UNLESS IT IS SPECIFICALLY REQUESTED.