

“Home Cents®” Help Tips

Who is that REALTOR working for?

Sometimes we like surprises, like a surprise party or a surprise gift. When it comes to buying or selling your home, however, surprises are the last thing you want.

REALTORS® believe it's important for you to understand for whom they are working, and what services you can expect from them. That way there are no unpleasant surprises later in the transaction. A REALTOR® may be working for you – if you have a clearly established “agency relationship” with that REALTOR®. But often, you may assume such an obligation exists when it does not.

The next time you are buying or selling a home, you will be asked to sign some form of agency agreement. The use of written agency agreements, whether with buyers or sellers, is now mandatory for all real estate practitioners in Ontario. As an agent, the REALTOR® is legally obligated to look after the best interests of the person he or she is working for. The agent must be loyal to that person.

The real estate profession itself lobbied for many years for the creation of the Real Estate Council of Ontario (RECO), a self-management body for the profession in Ontario. As of January 1, 2000, all licensed real estate brokers and sales people must follow certain rules designed by RECO to protect consumers.

These rules include clearly establishing whom the REALTOR® is working for in a real estate transaction - the buyer or the seller -- and acknowledging that relationship in writing. Failure to have a written agency contract is a breach of the RECO code of ethics.

You will be asked to sign a listing agreement if you are a seller. You will be asked to sign a buyer agency agreement if you are a buyer and the REALTOR® is representing your interests. And, whether you are a buyer or a seller, you will be asked to sign documentation confirming that you understand whom the REALTOR® is working for.

Buying or selling a home is an exciting, but complicated process. A REALTOR'S® expertise will ensure your real estate transaction runs smoothly. Knowing that a REALTOR® is in your corner, acting as your advocate and representing your best interests will give you greater peace of mind.

**Compliments of the Ontario Real Estate Association
&**

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