



## Show Good Form During a Deal

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TREB PRESIDENT'S COLUMN AS IT APPEARS IN THE TORONTO SUN

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Good communication is one of the secrets to a solid partnership with your REALTOR®.

Given that your REALTOR® will offer advice on your most significant financial asset, it is vital that you have a mutual understanding of the terms of your relationship at the outset.

In Ontario, all REALTORS® use standardized forms to facilitate the purchase and sale of property. The most commonly used forms can be found, with accompanying plain-language explanations, on [www.TorontoRealEstateBoard.com](http://www.TorontoRealEstateBoard.com)

If you are planning to sell your home, the first form with which you should familiarize yourself is the Listing Agreement. A contract between you and a real estate company, this agreement gives the real estate company exclusive permission to act on your behalf when they offer your home for sale on the open market. This is a required form under the Real Estate and Business Brokers Act (REBBA) Code of Ethics.

Should you not wish to give a real estate company exclusive permission to act on your behalf a Seller Customer Service Agreement, must be used to facilitate the transaction.

If you are planning to purchase a home, get to know the Buyer Representation Agreement. A contract between you and a real estate company, the Buyer Representation Agreement gives the real estate company exclusive permission to act on your behalf in the purchase of a property. Under the REBBA Code of Ethics, REALTORS® must ask their clients to sign this form before an offer is presented on the client's behalf.

Should you not wish to give a real estate company permission to act exclusively on your behalf in the purchase of a property, a Buyer Customer Service Agreement is used to facilitate the transaction.

When a potential Buyer and a Seller are brought together, the Confirmation of Cooperation and Representation is used to indicate the specific types of relationships that exist in the transaction. This form is acknowledged by everyone involved and thus provides reassurance that everyone is treated fairly. It also establishes the arrangement between real estate companies.

To state a Buyer's desire to purchase the property and to negotiate the terms of the sale, an Agreement of Purchase and Sale form is used. This form, known as an Offer, also outlines the Buyer's conditions such as a home inspection, financing, or the sale of their current property. After it is prepared and signed by the Buyer, it is presented to the Seller for acceptance. The Seller, in turn, may want to make changes to the Offer for the Buyer to consider. The negotiation process, in which your REALTOR's® expertise is vital, can continue back and forth several times in an effort to reach an agreement.

Before you undertake your next move be sure you're clear on the terms of your relationship and the specifics of a potential transaction. You can learn more about these forms by talking to a REALTOR® and visiting [www.TorontoRealEstateBoard.com](http://www.TorontoRealEstateBoard.com)

*Maureen O'Neill is President of the Toronto Real Estate Board, a professional association that represents 28,000 REALTORS® in the Greater Toronto Area.*