



Coming to ‘Terms’ with Real Estate

Bill Johnston

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

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From major league sports to the medical field, every profession has its own unique lingo and real estate is no exception. Since a home is likely to be the single largest purchase you will ever make, it’s worthwhile to have an understanding of some of the terms most commonly used in the real estate world.

There is a distinction between real estate practitioners and those who can use the certified “REALTOR®” trademark. While all real estate professionals are required to achieve registration with the provincial regulator, the Real Estate Council of Ontario (RECO), REALTORS® are those who also choose to belong to the Canadian Real Estate Association by joining a local board like the Toronto Real Estate Board. Boards operate MLS® under license from the Canadian Real Estate Association, and Members abide by the professional standards of business practice.

Using the MLS®, a REALTOR® can contrast your existing or prospective home with those recently sold in the area, developing a CMA or Comparative Market Analysis, to help you determine a suitable offer or listing price.

You may have noticed that some REALTORS® are Salespersons and others are Brokers. While all real estate professionals begin their careers as Salespersons, many choose to pursue RECO’s more advanced Broker designation after two years in practice.

A Broker of Record meanwhile, is an individual who is responsible for the operation of a real estate company, or brokerage. Salespersons and Brokers act on behalf of the brokerage and the Broker of Record is responsible for ensuring supervision of their activity.

When you work with a salesperson or broker, you will have the opportunity to determine whether you want to be represented as a Client or as a Customer.

By opting for Client status, you are choosing to contract with a real estate professional and the brokerage they represent, so that they will act in your best interest throughout the duration of your transaction.

By choosing Customer status, you have agreed that the real estate professional and their brokerage are not required to represent your interests and you are not obligated to work exclusively with them.

Once you have chosen to work with a REALTOR® you may choose to list your home on MLS® and may be presented with an array of marketing options, one of which can afford your listing heightened exposure by displaying it on the websites of other brokerages. This is referred to as IDX, or Internet Data Exchange.

When you peruse listings on REALTORS’® websites you will notice a number of abbreviations to describe a home’s features like elf – electrical light fixture, fp – fireplaces, and cac – central air conditioning.

These are just a handful of commonly used terms in the world of real estate. To learn more about the process of buying and selling a home talk to a REALTOR® and visit www.TorontoRealEstateBoard.com where you’ll find Greater Toronto Area listings, a schedule of upcoming open houses, plain language explanations of real estate forms and more.

Bill Johnston is President of the Toronto Real Estate Board, a professional association that represents 30,000 REALTORS® in the Greater Toronto Area.

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