



Consumer Information Guide

About this Consumer Information Guide:

You should review this guide if you are thinking about using someone's services to assist you in a real estate transaction.

Who is the Commission?

The Saskatchewan Real Estate Commission is responsible for the regulation of Saskatchewan's real estate industry. The Commission is mandated to protect consumers and the public interest by ensuring that registrants act within a professional framework that promotes ethical conduct and integrity and strengthens consumer trust and confidence. The Commission administers provincial real estate legislation on behalf of the government.

The Commission recommends that registrants in Saskatchewan walk you through this guide before providing services or assistance to you. Please read the guide carefully and talk to the registrant if you have questions.

Who is a registrant?

Registrants are those that are registered to trade in real estate in Saskatchewan under *The Real Estate Act* (the *Act*). They may also be known as **real estate agents, real estate professionals, REALTORS®, real estate brokers, associate brokers, branch managers, salespeople, or property managers**. These are the people who help you buy, sell, or lease property. They can be registered in residential, commercial, farm, or property management, some of these areas, or all of them. In order to become registered with the Commission, they must register with a brokerage.

The term REALTOR® is a trademark owned by the Canadian Real Estate Association, which is the national trade association for real estate professionals. Only CREA members can use this designation. All CREA members are REALTORS®. All REALTORS® in Saskatchewan are registrants, but not all registrants are REALTORS®.

Consumer Protection:

The Commission protects consumers through:

- **Setting standards of business conduct that promote ethical conduct, integrity and strengthen consumer trust and confidence:** The Commission sets high standards of ethical and professional conduct for registrants. Registrants must follow the standards set out in the *Act*, its *Regulations* and the Commission Bylaws.
- **Ensuring the suitability and good character of registrants:** All registrants must provide a Certified Criminal Record Check to the Commission, and answer questions about past disciplinary proceedings, criminal proceedings, bankruptcies, and more in order to be registered.
- **Requiring mandatory participation in an errors and omissions insurance program:** All registrants must carry errors and omissions insurance. This insurance protects consumers against unintentional loss because of mistakes or unintended negligence made by a registrant.
- **Establishing education standards:** All registrants must complete the minimum education standards before being registered to trade in real estate.

- **Investigating complaints:** When registrants fail to meet industry standards, complaints can be made to the Commission, and the Commission will begin an investigation into the conduct of that registrant who may be disciplined, fined, and/or may have their registration suspended or cancelled.
- **Administering the Real Estate Assurance Fund:** The Real Estate Assurance Fund compensates consumers who have been the victim of fraud, breach of trust, or a failure to disburse or account for money held in trust by a registrant in connection with a trade in real estate.
- **Providing information:** The Commission's website contains information for consumers.

Working with a registrant protects you as a consumer:

It's that simple. Not only do registrants have the education and experience to competently assist you in a transaction, but the Commission also holds them accountable to ensure they meet the high standards of professionalism and behaviour set out in the legislation. Brokerages and individual registrants working in Saskatchewan must be registered with the Commission. You can check the status of registrant here:

[PUBLIC INQUIRIES](#)

If you have a concern:

Contact the brokerage and/or broker:

All registrants work for a brokerage, so in many cases, your brokerage will be able to mediate or resolve your issue. Search for the brokerage in the Commission's Public Inquiries to find the name of the broker (the person responsible for supervising registrants and ensuring the brokerage is compliant) and their contact information.

-and/or-

Contact the Commission:

To file a complaint with the Commission about a registrant, visit the complaints section of the Commission website. The website explains the complaints process, possible outcomes, and how to file your complaint. The Commission will review the issue, determine if it has the authority to deal with it, and what next steps, if any, it will take.

What do registrants do?

Registrants provide valuable information, advice, and guidance to buyers and sellers as they navigate the complexities of real estate transactions.

If you are a seller, a registrant can:

- Advise you on market conditions and the best strategy to attract buyers and get the best price for your home.
- Market or advertise your home, including arranging photographs, videos and virtual tours.
- Provide referrals to other professionals you may need, like a lawyer or home staging company.
- Arrange showings for interested buyers.
- Advise you on how to handle competing offers, sharing the content of competing offers, and other aspects of the transaction.
- Review offers and vet potential buyers.
- Negotiate with buyers to achieve the best results, price, and terms, for you.
- Guide you through paperwork and closing the transaction successfully.

If you are a buyer, a registrant can:

- Provide advice and direction for financing and pre-approvals so you know how much you can afford.
- Gather and share information about neighbourhoods and homes that meet your requirements and arrange to show you homes you'd like to see.
- Make inquiries about zoning, permitted property use, or other aspects of the home.
- Advise you on the best approach in competing offer situations and how to protect your offer information.
- Negotiate with sellers to achieve the best results, price, and terms, for you.
- Guide you through paperwork and closing the transaction successfully.
- Provide referrals to other professionals you may need (for example, home inspectors, lawyers, or contractors).

You will also benefit from the duties the brokerage and registrant owe to you:

- **Undivided loyalty:** Your best interests are promoted and protected by the brokerage or registrant representing you. As a client, your interests take priority over the interests of the brokerage, its registrants, and any other party.
- **Disclosure:** They must tell you everything they know about the transaction or your client relationship that could have an impact on any decisions you make.
- **Confidentiality:** Your confidential information cannot be shared with anyone outside of the brokerage without your written consent, except where required by law, even after your client relationship ends. This includes, for example, your motivation for buying or selling, and the amount you would be willing to pay or accept.
- **Avoid conflicts of interest:** They must avoid any situation that would affect their duty to act in your best interests. If a conflict arises, they must disclose it to you and cannot provide any additional services to you unless you agree in writing to continue receiving services.

You have responsibilities:

- Be clear about what you want and don't want and make sure you share all information that might be relevant (for example, you might want zoning that permits your intended use, maybe a home office or another specific use, or you might not want a property where there has been a violent crime);
- Respond to your registrant's questions in a timely manner;
- Take time to review/understand the terms of your agreement with the brokerage; and,
- Pay the fees you have agreed on, even if an agreement to buy or sell later falls through because of your default or neglect.

Representing yourself in a real estate transaction:

If you are involved in a real estate transaction and have not contracted with a real estate brokerage for services, you are considered a self-represented party.

There are significant risks to representing yourself in a real estate transaction if you do not have the knowledge and expertise required to navigate the transaction on your own.

You will be dealing with a seller or buyer who may be benefitting from the services, opinions, and advice of a registrant.

Note: The Commission recommends that you seek independent professional advice before you proceed as a self-represented party.

If you choose not to work with a registrant, it will be your responsibility to look after your own best interests and protect yourself. This may include things like:

- making inquiries about zoning, permitted property use, or any other aspect of the property;
- determining what you believe to be the value of the property you are buying or selling;
- determining how much you are willing to offer or accept;
- navigating competing offer situations;
- deciding what terms you want to include in an offer or agreement of purchase and sale;
- arranging for inspections or obtaining reports about the property; and,
- preparing all legal documents.

Note: If you are a self-represented party be aware that the registrant has a legal obligation to act in the best interests of the person on the other side of the transaction.

If you are a buyer or even just inquiring about the property, for example, and the registrant is working for the seller — the registrant has a duty to do what is best for the seller.

Be aware that the registrant is obligated to share anything you tell them with their client, so it might not be in your best interests to tell them things like:

- your motivation for buying or selling the property;
- the minimum or maximum price you are willing to offer or accept; and
- your preferred terms or conditions for an agreement of purchase and sale.

The registrant cannot:

- provide you with any services, opinions, or advice;
- do anything that would encourage you to rely on their knowledge, skill, or judgement; or,
- encourage you to represent yourself or discourage you from working with another registrant or brokerage.

Any assistance the registrant offers you:

- is a service to their client, not you;
- is in the best interests of their client, not you; and
- is to help their client sell or buy a property.

Note: You can engage a registrant at any time. If you are concerned about completing a transaction on your own, or you need advice from a registrant, you can choose to engage a real estate brokerage at any point during the transaction. You may be required to sign an agreement with the brokerage - a contract between you and the brokerage for real estate services and representation.

Entering into an agency agreement:

Protect yourself by reviewing the agreement in detail. This will help to avoid any issues or misunderstandings between you and your registrant.

Your agreement is not valid unless:

- it contains an expiry date and only one expiry date;
- the expiry date is less than 12 months from the date of the agency agreement;
- it shows the total amount of commission to be paid to the brokerage and how it is to be calculated; and
- a true copy of the agency agreement is immediately delivered to you, whether you are the seller or buyer who signed the agency agreement.

What to look for in an agency agreement?

Your representation agreement should describe:

- the parties by their name and address;
- the date the agreement was signed and the commencement date of the agreement;
- the duties owed to you;
- the services you will receive;
- your rights and responsibilities;
- what you will pay; and
- specific terms of the agreement, including how long the agreement will last and whether you can cancel it.

No registrant shall induce a party to a written agency agreement to break the agreement for the purpose of entering into another agency agreement.

When you sign a contract with a registrant, you are hiring their brokerage. The individual you meet or speak to will sign the agreement on behalf of the brokerage, but ultimately, you are hiring the brokerage and not that individual. Your agency relationship is with the brokerage.

Payment amount and terms:

You and the brokerage decide the amount you will pay for services. The amount of commission or other remuneration is not fixed or approved by the Commission, any government authority, or any real estate association.

There is no standard commission for registrants.

Compensation is negotiable.

You can agree to pay a fixed dollar amount, a percentage of the sale price, or a combination of both. The amount you pay cannot be based on the difference between a property's listing price and what it sells for.

Questions to ask about the agency agreement:

- How can the agreement be terminated, withdrawn or cancelled?
- Are there any penalties or other costs to be aware of?
- How long do you want the agreement to remain in place?
- Could I owe money after the expiry of the agreement?

Limited Dual Agency:

Dual agency can mean that a brokerage is representing more than one client or it can mean that an individual registrant is representing more than one client, with competing interests, in the same transaction. Dual agency is not permitted unless each of the parties involved agrees. You should seek independent professional advice (for example, from your real estate lawyer) before proceeding. The brokerage and registrant have a duty to promote and protect your best interests and avoid conflicts of interest.

What to expect before you agree to dual agency:

The brokerage is required to provide you with a written disclosure that explains:

- how the brokerage's duties or the registrant's duties to you will change;
- the differences in the services you will receive; and
- any change to how much you pay the brokerage.

Until this information is disclosed in writing to all parties in the transaction, and they all agree in writing, the brokerage and/or registrant cannot take any further steps on behalf of any party.

You can refuse dual agency:

If you do not agree, the brokerage and/or registrant is not allowed to proceed.

Ask the brokerage or registrant about alternatives. For example, if you are a buyer, the brokerage could refer you to another registrant in that brokerage or another brokerage to help you make an offer on the property.

Agreeing to dual agency significantly reduces what the brokerage and its registrants can do for you - which could have consequences and costs.

What you need to know about offers:

You may have seen articles in the media about open bidding, or an open offer process. Sellers choose how much other information, if any, they want to share about the offers they receive.

If you are a seller:

- You decide how much information you want to share about the competing offers.
- You need to provide clear written direction to your registrant before the content of any offers can be shared.
- Your registrant must disclose to you all offers they receive for your property.
- There is a mandatory form to be used to make a residential offer in Saskatchewan if the offer comes from a registrant.

If you are a buyer:

- You decide whether you want to participate in a process where the content of your offer might be shared with other buyers.
- Be aware that the seller can make the decision to share the content of offers at any time and you may not know in advance.

How is the Commission different from a trade organization?

Industry trade associations protect the interests of their membership. Trade organizations include local real estate boards and provincial real estate associations. In Saskatchewan, there is one provincial real estate association. Membership in the association is voluntary, whereas registration with the Commission is mandatory.

The Commission:	Trade Organization:
<ul style="list-style-type: none">- Mandate is for the protection of the public.- Administers / enforces legislation and professional standards.- Sets education standards for registration and professional development.- Investigates complaints and sanctions registrants.- Administers a consumer protection fund.	<ul style="list-style-type: none">- Work to encourage, empower and enable REALTORS®- Advocate for members and promote their interests.- Provide networking opportunities for their members.- Focus on their members' business interests and objectives.- Provide information, statistics, market analysis and tools.- Represent their members before government authorities and in the media.

Where to get more information:

For more information about buying and selling property in Saskatchewan you can contact the Commission directly:

Saskatchewan Real Estate Commission
104, 210 Wellman Crescent
Saskatoon, Saskatchewan S7T 0J1

Phone: 306.374.5233
Toll Free: 1.877.700.5233
Email: info@srec.ca
Website: www.srec.ca

The content of this Consumer Information Guide is intended to help buyers and sellers make informed decisions. This guide is not intended to act as a substitute for legal advice. Readers are encouraged to retain qualified and independent legal counsel to answer any legal questions or address any legal issues. Information may be updated as required without notice. Please check the Commission website (www.srec.ca) to ensure you are referencing the most current version. For complete details consult the *Act*, *Regulations* or *Bylaws*, or contact the Commission at info@srec.ca.