

# Hosting an open house

This bulletin explains an agent's responsibilities when arranging to host an open house or when arranging to have another agent from the seller's brokerage host an open house.

### Summary

An open house is generally held to market the property and to identify prospective buyer clients for the seller's property or other properties. The seller's agent is promoting the seller's interest and is directly invested in the success of the sale. The seller's agent is also best equipped to point out the benefits of and answer general questions about the property. However, there will be occasions when a seller's agent is not available on the desired date and time or chooses not to host the open house.

## WHEN THE SELLER IS REPRESENTED UNDER A BROKERAGE REPRESENTATION AGREEMENT

Under a **brokerage representation agreement**, all agents of the brokerage represent the seller's best interests. If the agent that the seller is working with is unable to or chooses not to host the open house, the seller has two options:

- 1. The seller can request that another agent from the same brokerage step in and represent the seller's interests at the open house.
- 2. The seller can postpone the open house until a time when the agent that they are working with is available.

#### WHEN THE SELLER IS REPRESENTED UNDER A DESIGNATED REPRESENTATION AGREEMENT

Under a **designated representation agreement**, the designated representative represents the seller's best interests. A representation agreement can include more than one designated representative to represent the seller's interests. If the seller's designated representative is unable to or chooses not to host the open house, the seller has two options:

- 1. The seller can provide consent for another agent from the seller's brokerage, who does not represent the seller's best interests, to host the open house.
- 2. The seller can postpone the open house for a time when their designated representative is available.

Whether it is brokerage or designated representation, the agent must provide the seller with the information necessary to make an informed decision, including the advantages and disadvantages of each option.

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P: 416-207-4800 TF: 1-800-245-6910 F: 416-207-4820

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### Informed consent

To ensure informed consent to the open house, the seller's agent must:

- · explain the potential benefits and the risks of permitting open house access to the seller's property; and,
- create a plan for how the agent and the seller can minimize risk, including steps like the removal of valuables and personal information, the registering of attendees, and any restrictions related to access.

If the seller's designated representative is arranging for another agent from their brokerage to host the open house, the seller's designated representative must:

- explain that the seller's confidential client information cannot and will not be shared with the agent hosting the open house;
- explain that the agent hosting the open house does not represent the interests of the seller and is legally required to treat the seller in an objective and impartial manner; and,
- explain that the agent hosting the open house may actively attempt to engage prospective buyer clients and represent those buyer clients in the purchase of the seller's property or another property.

The seller's written direction for the open house must include:

- the date, start time, and end time of the open house;
- the name of the agent(s) hosting the open house; and,
- any restrictions related to access during the open house.

### Hosting agent responsibilities

#### PROTECT THE PROPERTY

Any agent hosting an open house is responsible for supervising open house attendees that are given access to the property, safeguarding the seller's property during access, and securing the property when the open house is complete.

#### **EXECUTE THE SELLER'S DIRECTIONS**

The hosting agent must follow the planned safeguards during the open house and adhere to any directions and restrictions related to access that are set out by the seller.

#### **COMMUNICATE CLEARLY**

If the seller is under a **brokerage representation agreement**, the seller is represented by all the agents employed by the brokerage. Any of the brokerage's agents can represent the seller client's best interests while hosting an open house. The agent hosting the open house must make it clear to attendees that they are representing the interests of the seller of the property.

If the seller is under a **designated representation agreement**, only the seller's designated representative(s) represents the seller's best interest and is permitted to have access to the seller's confidential client information. If the agent hosting the open house is **not** the seller's designated representative, the hosting agent must make it clear to attendees they do not represent the seller of the property.

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The hosting agent must ensure they present only factual information about the property and the real estate market and avoid sharing advice and opinions about the property with attendees they do not represent or who might be represented by another agent or brokerage.

### Related information

Bulletin No. 2.2 Representation

Bulletin No. 2.3 Representation agreements

Bulletin No. 2.7 Implied representation agreements

Bulletin No. 7.1 Protection of property

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