

RECO Information Guide

This bulletin explains real estate agents' obligations related to the *RECO Information Guide*.

Summary

The *RECO Information Guide* (guide) contains information that prospective clients and self-represented parties should be aware of before entering an agreement for services with a brokerage or receiving any services or assistance from a real estate agent.

Before providing services or assistance, agents can satisfy their basic obligations in two steps:

1. Give a copy of the guide to the prospective client or self-represented party.
2. Explain the contents of the guide to the prospective client or self-represented party.

Agents are expected to provide the guide to a prospective client before an agreement is entered into with the brokerage.

In the case of a self-represented party, agents must also provide the *Information and Disclosure to Self-represented Party* form.

Purpose of the *RECO Information Guide*

The purpose of the guide is to help consumers understand:

- The benefits of being a client of a real estate agent.
- The risks of being a self-represented party in a transaction.
- The duties brokerages and agents owe to clients.
- What to look for in an agreement with a brokerage, including remuneration arrangements.
- Multiple representation is not permitted unless they agree to it.
- The change in duties owed to clients and the services that will be provided if the client does agree to multiple representation.
- How to bring a concern to the attention of the brokerage or file a complaint with RECO.

Step 1: Provide the RECO Information Guide

Before an agent provides services to a client or assistance to a self-represented party, the agent **must** give a copy of the *RECO Information Guide* to the person.

RECO Bulletins are a series of publications developed to provide helpful information to brokerages and real estate agents about their duties and obligations under the *Trust in Real Estate Services Act, 2002* (TRESA) and its regulations. Bulletins may be updated as required. Please check the RECO website to ensure you are referencing the most current version.

RECO Bulletins are for convenience only, they do not constitute legal advice. For complete details consult the [legislation](#).

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This new obligation replaces what was in section 10 of the Code of Ethics regulation under REBBA (information before agreements). Those requirements were typically satisfied using the Ontario Real Estate Association's Form 810, Working with a REALTOR®, or similar documents.

Under TRESA, agents **must** provide and explain the *RECO Information Guide*.

Step 2: Explain the content of the RECO Information Guide

Agents are required to explain the content of the guide. The content of the guide is plain language information and supports conversations agents would normally have with a buyer or seller before providing services. It is an opportunity to highlight the benefits of working with a real estate agent and to demonstrate professionalism by ensuring the buyer or seller fully understands the information being provided to them.

Agents should be prepared to respond to questions a prospective client may have about the specific services that could be provided to them under a representation agreement, the type of representation the brokerage provides, the remuneration arrangements, brokerage policies when multiple representation arises, and other matters.

With a self-represented party, an agent should be prepared to help them understand the risks of being self-represented in a transaction, including the risks associated with receiving assistance from a brokerage or designated representative that represents a client in the trade.

RECORD-KEEPING

There is no requirement under the legislation for an agent to obtain an acknowledgement that the guide was provided and explained. However, in the event a complaint is made to RECO, the onus will be on the agent to prove they met their obligations.

Brokerages may require their agents obtain an acknowledgement, as many brokerages did with Working with a REALTOR® or similar documents. Agents should ensure they follow their brokerage's policies.

RECO'S ONLINE TOOL

To support agents in meeting their obligations, RECO has developed an online tool to facilitate electronic sharing of the guide. The tool will also provide email confirmation to the agent that the guide was provided and, if the person acknowledges it was provided, email confirmation of that acknowledgement will be sent to both. Remember, agents are still required to explain the content of the guide.

RECO's online tool does not retain records or data for the brokerage. Each unique link sent to a prospective client or self-represented party will expire within seven days. Brokerages and agents could retain the email notifications as evidence that obligations were satisfied. RECO does not receive or maintain copies of the notification emails.

Related information

RECO Information Guide

Information and Disclosure to Self-represented Party form (designated rep version)

Information and Disclosure to Self-represented Party form (brokerage rep version)

Bulletin No. 2.4 Dealing with a self-represented party