

THE BUYER BROKERAGE AGREEMENT & BUYER DESIGNATED BROKERAGE AGREEMENT HAVE CHANGED.

OVERALL

The flow of clauses has been improved with consumers in mind. The result is an informative contract that is easy for the consumer to follow.

An updated design includes clear identifiers on all pages of the agreements which indicate the form number, the page and the most recent publish date.

Initial lines have been removed from the bottom of the pages and the number of initial boxes have been reduced.

BUYER DESIGNATED BROKERAGE AGREEMENT SPECIFIC

Clause 1.2 of the Buyer Designated Brokerage Agreement, where you name the designated agent includes a tick box that states *See Addendum*.

Use this if you are part of a team and there is not enough room to write your team name and all of its members. In this case, write the name of your team in the blank and tick 'See Addendum'. The attached addendum must clearly state the names of the licensed team members.



EFFECTIVE DATES

Our focus groups have identified challenges respecting having a time indicated in the effective date clause.

To simplify this, the time has been removed. Now, the Agreement is in effect at 12:00 a.m. of the commencement date and expires at 11:59 p.m. of the expiry date.

TERMINOLOGY SHIFT

Market Area is now **Geographic Area**.

TIP: When completing a Buyer (Designated) Brokerage Agreement with a buyer who is searching for multiple types of properties (i.e. a residential home and a cottage) in the same geographic area identified in the agreement, they agree to do so with the same licensee. If the buyer wishes to use a different brokerage for a different type of property, the brokerage agreement must be altered to identify the type of property you will work with them to locate.



SELLER/CUSTOMER ACKNOWLEDGEMENT & FEE AGREEMENT

Clause 5.1(b) of the Buyer Brokerage Agreement and 7.1(b) of the Buyer Designated Brokerage Agreement refer to a form entitled the Seller/Customer Acknowledgment & Fee Agreement. This form is currently being reviewed in focus groups and is expected to be released to the industry later this year. This form is intended to be used when a licensee has a buyer-client interested in a For Sale By Owner (FSBO) property (someone not represented by a licensed brokerage). This clause gives consent for the licensee to identify the buyer's name to the seller if the seller is in agreement to completing the Seller/Customer Acknowledgment & Fee Agreement form.

REMUNERATION

The remuneration clause has been modified to suit a variety of business models. No matter whether a brokerage charges a flat fee, a percentage, a range, or a combination of any of those options, two blank lines have been used for flexibility. It is important to note, however, that licensees' fiduciary duties require that the amount the brokerage is to be paid be disclosed to the buyer. If that amount is unclear at the time the brokerage agreement is completed, or if the remuneration changes prior to the facilitation of an offer (i.e. a range to a set fee), the brokerage agreement must be amended to reflect the accurate remuneration once that remuneration amount is known.



RETAINER & HOLDOVER CLAUSE

Both the retainer and holdover clauses have been removed from the Buyer (Designated) Brokerage Agreements. If a brokerage wishes to charge a retainer or include a holdover clause, either or both may be added into the additional provisions or by attaching a schedule.