



SELLER CONTRACT EXPLAINERS

Welcome to the **Cole's Notes of the contracts you'll be signing when listing** your home for sale.

There are multiple contracts in real estate transactions, but not all of them will apply to each scenario. Rather than bombard you all at once, we've broken them down into the different stages of the transaction...

FORM 810 - WORKING WITH A REALTOR®

We are kicking off with the Working With A REALTOR® form as it is the first that needs to be signed. While this **isn't a binding contract, but it is a legal requirement under Section 10 of the Code of Ethics** that we fully explain your relationship options.

Now, we have gone over this previously with in-depth explanations around what duties you are owed in each scenario, but **this explainer is all about the specifics of what the form lay out** for you.

THE REALTOR® CONSUMER RELATIONSHIP

This first section outlines that **contracts for real estate services are with the Brokerage**. REALTORS® are employed with a Brokerage to provide services on the Brokerage's behalf.

The **person responsible for the Brokerage is called a Broker of Record** & they may choose to enlist the services of a Managing Broker to help run the day-to-day. If you are ever unsatisfied with the services you are receiving, and we can't come to an understanding between us, you can connect with my Broker of Record - Sally Todd-Peth.

CLIENT

This next section is about the Client Relationship.

This is the highest level of relationship between a REALTOR® & a consumer.

There are mandatory **duties owed to the Client under the law known as fiduciary duties.**

The representation agreements can come in the form of a **Listing Agreement (when selling)** or **Buyer Representation Agreement (when buying)**

When you become a Client, **the Brokerage must protect your interests & not disclose any confidential information.** However, there is still an **obligation to treat all other parties to the transaction with fairness, honesty & integrity.**

CUSTOMER

There may be instances **where a consumer does not want to have a Client Relationship** with a Brokerage. In these cases, you can **choose to form a Customer Relationship.**

In this case, the REALTOR® is **required to treat you with honesty, fairness & integrity, but the services offered would be restricted.** (ie. advising you on the market trends, recent sales, offering advice on strategies, etc,)

WHAT HAPPENS WHEN...

In some situations, **a Brokerage may be representing more than one client in a transaction** - either a Buyer & Seller, or multiple Buyers on the same property.

When the Brokerage represents more than one client in a transaction, it is **known as Multiple Representation.** There are mandatory requirements that have to be fulfilled in these circumstances: all **Clients involved must confirm in writing** that they acknowledge, understand & consent to the Multiple Representation aspect of the relationship (covered in detail in the Agency Relationship package provided).

CRITICAL INFORMATION

REALTORS® must **disclose facts that may affect a reasonable buying or selling decision.** In order to ensure that the REALTOR® represents your best interests, it's **important to discuss your needs, wants & any issues that would affect your decision to buy or sell.**

It is also imperative that you **read & understand the contracts BEFORE you sign.**

ACKNOWLEDGEMENT

By signing this, you acknowledge having read & understood as well as receiving a copy. You'll **sign* on the side that pertains to your situation*** (buyer, seller or both) **& on the top line if you want to become a client, bottom if you'd like to be a customer** (does or does not represent your interests)

**Do not sign anything right now, this is just for educational purposes*

FEDERAL LEGISLATION

The final lines of the document outline that we are **required by law to verify your identity** (Government-Issued Photo ID) & that **this form is not a contract**, but rather for information purposes.

FORM 200 - LISTING AGREEMENT

Seller Representation Agreement | Authority to Offer for Sale

This form is a **contract between a Seller and a Real Estate Brokerage that permits them to act on a Seller's behalf** when offering their home for sale in the open market.

A written agreement is necessary to outline important information (like the length of the contract, commissions paid, holdover period, etc.) & to ensure compliance with the Code of Ethics.

This is a Multiple Listing Service® Agreement



OR

Exclusive Listing Agreement



BETWEEN:

This first part determines if a property will be **listed on the MLS® system** & be shared out to the database/uploaded to Realtor.ca - OR - if you will be **signing an Exclusive Listing Agreement** where we can work on your behalf without posting publicly to the MLS® Database.

This is done by initialling one or the other...

We will most likely be signing both, but on 2 separate versions of Form 200:

The **first contract will be Exclusive** so we can begin the marketing initiatives on your behalf (**coming soon, investing in drone shots, photography, etc.**). This builds demand for your property & helps reduce time spent on the market as Buyers who are actively looking will begin to see the coming soon marketing.

The **second contract will (if you decide to market on the MLS®) begin the moment the first contract expires.** This allows us to transition from Coming Soon Pre-Launch Marketing to being Active (for sale) to the public.

BETWEEN: _____

BROKERAGE: **S. Todd Real Estate Ltd.**
.....(the "Listing Brokerage") Tel. No.

SELLER:(the "Seller")

In consideration of the Listing Brokerage listing the real property **for sale** known as.....
.....(the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent, **commencing** at 12:01 a.m. on the day
of, 20....., **until** 11:59 p.m. on the day of, 20..... (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an
MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and
Business Brokers Act, 2002, (REBBA), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.** }

to offer the Property **for sale** at a price of: Dollars (CDN\$)
.....Dollars

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set
out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement
to pay commission to any other real estate brokerage for the sale of the Property.

(Seller's Initials)

This next section outlines **who the contract is between, the length of time the contract is valid for** (if it's longer than 6 months, you would need to initial to acknowledge), the **price you'd like to offer it for sale at** & initialing to acknowledge **you are not party to any contracts with anyone else on the property.**

The following sections are **clauses designed to lay out the terms of the contract & protect all parties involved.** I won't add snapshots for each, so [please reference the full copy of Form 200 - Listing Agreement provided.](#)

1. DEFINITIONS & INTERPRETATIONS - This paragraph clarifies the terms used in the Agreement & defines Buyer / Seller as they are referred to in the document.

2. COMMISSION - This is a **significant section of the Agreement** as it sets out the fee that will be paid on successful completion. It also **authorizes the Brokerage to cooperate with any other Brokerage that may bring a Buyer forward.** This section details how the commission paid to the Listing Brokerage would be shared with a Cooperating Brokerage.

It also outlines the Holdover Period - this is a time period that kicks in when your Agreement to List expires (dates are outlined on page 1 of Form 200).

If you sell to someone who was introduced or shown the property while the contract was active, **during the Holdover Period**, you would still be **liable for the commission agreed to** in this Listing Agreement.

3. REPRESENTATION - This paragraph confirms that the Brokerage & REALTOR® have **explained the different types of Relationships** that may occur in a real estate transaction.

Do note the **Multiple Representation portion that outlines the impartial aspect & what will not be disclosed** when a Brokerage represents more than one party on a single property.

4. FINDERS FEE - If a **REALTOR® were to receive any remuneration beyond the commission** agreed to above (usually from connecting you with a professional) it is necessary to receive your consent.

This clause is that consent & at this time I do not receive any financial benefit from your using them. How we both benefit is in knowing the communication & systems are there to support you through your move.

Full disclosure: there is often a reasonable gesture at Christmas time as an acknowledgment of the teamwork & collaboration for Clients that year... it's usually a box of chocolates or Poinsettia. I'm happy to pass the box of chocolates along to any takes! (I mean that)

5. REFERRAL OF ENQUIRIES - This section requires that **you advise me if anyone were to enquire about your property**. It also reminds you of the **Holdover Period...** where if you sell to the enquiring party directly, during the Listing Period or Holdover Period, **you will be liable to pay the commission**.

6. MARKETING - You **authorize the Brokerage to market your property** - including For Sale & Sold signs (bylaw permitting). The Brokerage is not liable unless by gross negligence or wilful act.

7. WARRANTY - This clause **confirms that you have the authority to sell the property & sign the Listing Agreement**. It also confirms that **you have disclosed any outside interests** such as first rights of refusal, easements, mortgages, investors, etc.

8. INDEMNIFICATION & INSURANCE - The **Brokerage cannot be held liable for any loss or damage to the property or its contents** unless it was caused by the Brokerage's gross negligence or willful act. You also confirm that **you have insurance to cover any injury or property damage** that may occur.

9. THE FAMILY LAW ACT - You are warranting that if this is the **matrimonial home** (the primary home you & your spouse share) & your spouse isn't on title, they will sign the contract.

10. VERIFICATION OF INFORMATION - This section **authorizes your REALTOR® to obtain information about your property** from governments, mortgages, etc. in order to help with the sale.

11. USE & DISTRIBUTION OF INFORMATION - This section is required to facilitate the sale of your property... it **ensures compliance with privacy laws** as you consent to the use & disclosure of personal information in order to market the property. This includes photos, surveys, etc.

board's MLS® system to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.



Does



Does Not

12. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

There is also this additional initial required for you to **consent (or not) to be contacted** by other REALTORS® should the listing expire.

12. SUCCESSORS & ASSIGNS - This clause states that heirs, estate trustees or any other party legally acting on your behalf must also abide by the terms of this Agreement.

13. CONFLICT OR DISCREPANCY - This clause outlines that if **anything is added to the Agreement**, by way of an attached schedule or an amendment, should there be a conflict between the addition & the pre-printed clauses, **the added clause overrides pre-printed provisions**.

14. ELECTRONIC COMMUNICATION - This confirms that communications may occur electronically & will be binding.

15. ELECTRONIC SIGNATURES - This clause provides consent for electronic signatures & that they will be considered binding.

16. SCHEDULE(S) - Any attachments to the Agreement will be listed here. This is where any **additional terms will be laid out.**

There are **2 lines after clause 16** which states the Brokerage will market your property in order to obtain an offer you find acceptable - **I will sign this to bind the Brokerage.**

SIGNATURES - this section is where you will sign, acknowledging you have read, fully understand & have signed under seal. **The seal makes the contract binding despite payment not being made until after successful completion.**

SPOUSAL CONSENT - as mentioned in Clause 9: Family Law, this is the line where a spouse not on title would sign if selling the matrimonial home.

DECLARATION OF INSURANCE - this is where I sign declaring I have insurance that meets the Real Estate Business Brokers Act requirements.

ACKNOWLEDGEMENT - This section is signed by you acknowledging you fully understand the terms laid out in the Agreement & have received a copy of the signed contracts.

You've made it... That's it for the Listing Contracts portion!

We will be going over the details specific to your contract, but having the pre-printed portion covered first allows us to focus on your needs vs. the stress of trying to take it all in at once.

As mentioned many times, it's vital you have a full understanding of the contracts you are signing as they are legally binding... this is the first step to really understanding 🙌

Of course, if you have any questions at all, I'm here to help!

Rochelle Edwards | Broker
S. Todd Real Estate Ltd., Brokerage

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