



Big changes to the way Canadians sell their homes

The Competition Bureau announced on Sept. 30, 2010 that it has reached an agreement in principle with the Canadian Real Estate Association (CREA), which, if ratified by CREA's members, will ensure that real estate agents have the flexibility to provide innovative service and pricing options to customers.

The Competition Bureau wants consumers to be able to pick and choose the services they want from a real estate agent.

The changes would make it possible for sellers to use only the Multiple Listing Service (MLS) service, without having to pay for other add-ons such as charges for advertising, placing "For Sale" signs, holding open houses, scheduling showings and negotiating with potential buyers, fielding offers and managing the transaction.

At present, most real estate companies charge a flat percentage fee, typically around five per cent, of the sale price to provide all the services. The fee is split between agents for the buyer

and seller. Generally, a consumer could not list a house on MLS without paying for all the rest of an agent's service. Now, a consumer could decide to only list on MLS and take care of everything else.

The agreement will ensure that consumers have the ability to choose which services they want from a real estate agent when selling their home, and to pay for only those services. It also provides much-needed flexibility for real estate agents by ensuring that they have the ability to offer the variety of services and prices that meet the needs of consumers.

Most importantly, the changes allow consumers who do not want a full-service real estate agent to simply pay a nominal fee for a listing on the MLS, the national registry which handles 90 per cent of real estate deals.

If the real estate association ratifies the agreement on Oct. 24 at its annual meeting, it will be filed with the tribunal and its terms will become binding for a 10-year period.

New real-estate rules mean that homeowners can select their services from Realtors, potentially saving them thousands of dollars when selling.

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