REALTOR® COOPERATION

WHAT YOU NEED TO KNOW



WHAT IS THE REALTOR® COOPERATION POLICY AND THE REALTOR® CODE?

Cooperation between REALTORS® is at the heart of every real estate transaction. Not only does it maximize opportunities to bring together property buyers and sellers, it promotes the value of REALTORS® as trusted real estate professionals.

To address the increased use of limited exposure marketing practices which can result in the withholding of listings from MLS® Systems, boards and associations engaged with CREA to review concerns expressed by industry stakeholders

During CREA's 2023 Annual General Meeting, the new Article 30, "Duty of Cooperation" was approved by voting delegates. Now as an ethical obligation under the REALTOR® Code, REALTORS® are required to cooperate with other REALTORS® in the delivery of real estate services as outlined by the REALTOR® Cooperation Policy.

KEY ELEMENTS OF THE REALTOR® COOPERATION POLICY

All REALTORS® are required to comply with the new REALTOR® Code provision and the accompanying policy through their membership in local boards and associations.
The key elements of the policy can be summarized as follows:

BASIC RULE

Where public marketing of a listing occurs, the listing must be placed on an MLS® System within the timeframe adopted by the board/association, which may be up to a maximum of three (3) days, unless an exemption applies.

DISCLOSURE AND CONSENT REQUIREMENTS

REALTORS® must inform their seller clients of the benefits of marketing their listing on an MLS® System. If a seller decides to forego this option, the decision must be confirmed in writing to the REALTOR®, acknowledging they are declining the benefits of placing their listing on an MLS® System.

PUBLIC MARKETING

What is it?

Any marketing to the public or anyone not directly affiliated with the listing brokerage/office, excluding one-to-one direct communication.

Examples: Marketing via flyers, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW) and onsite brokerage promotion, digital communications marketing (i.e., email blasts, newsletters, social media posts), multi-brokerage listing sharing networks, and applications available to the general public.

What isn't it?

The marketing of a property by the listing REALTOR® directly to REALTORS® from other brokerages/offices on a one-to-one basis.

Example: If a REALTOR® from brokerage A shares their listing directly with a REALTOR® from brokerage B who may have a potential buyer client by a “one-to-one direct communication”, this would not be “Public Marketing” under the policy.

WHAT ABOUT “EXCLUSIVES”?

Exclusive Listings, Disclosure and Consent: The policy does not prevent brokers from exclusively representing a buyer or seller. The policy does require that REALTORS® inform their seller clients of the benefits of marketing their listing on an MLS® System.

If a seller decides to forego this option, they will need to confirm this decision in writing, acknowledging they are giving up the benefits of listing on an MLS® System. If at any point a listing is publicly marketed, then the requirement to place the listing on an MLS® System within three days will apply.



BENEFITS OF AN MLS® SYSTEM

WIN FOR SELLERS

Placing a listing on an MLS® System provides more exposure to potential buyers.

WIN FOR BUYERS

More sellers on MLS® Systems means more choices for buyers.

WIN FOR REALTORS®

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WHAT YOU NEED TO KNOW

CAN REALTORS® USE “COMING SOON” ADVERTISING UNDER THE POLICY?

Yes, “Coming Soon” advertising is public marketing of a property and may be used prior to the listing being placed on the board/association MLS® System within the timeframe provided for in the policy, subject to provincial regulations and board/association rules.

DOES THE POLICY APPLY TO ALL PROPERTY AND TRANSACTION TYPES?

The policy is focused on residential properties and provides exemptions for certain other property types. The exemptions include commercial listings (i.e., business properties, agricultural properties), new construction listings with multiple properties or units (i.e., residential development projects, condo development projects), and rental property listings.

NEW CONSTRUCTION LISTINGS IN DEVELOPMENTS WITH MULTIPLE PROPERTIES OR UNITS ARE EXEMPT FROM THE POLICY. ARE ASSIGNMENTS OF SUCH PROPERTIES ALSO EXEMPT FROM THE POLICY?

Yes, any assignments will be exempt if they occur prior to the transfer of title. After title to the property or unit has been transferred to a buyer, any subsequent sale will be subject to the policy.

IS A PROPERTY LISTING ON A VIRTUAL OFFICE WEBSITE (“VOW”) CONSIDERED “PUBLIC MARKETING”?

Yes, although password protected, VOWs provide consumers with access to listings and would not be considered as “one-to-one” direct communication.

COMMUNICATIONS BETWEEN A LISTING REALTOR® AND REALTORS® WITHIN THE SAME BROKERAGE IS NOT CONSIDERED PUBLIC MARKETING. DOES THIS INCLUDE REALTORS® IN BRANCH OFFICES OF THEIR BROKERAGE?

Yes, where a brokerage has branch offices under the same broker of record, communications between a listing REALTOR® and REALTORS® in those branch offices would generally not be considered public marketing.



WHERE CAN I FIND MORE INFORMATION?

CREA.ca/REALTORCooperation

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