

Understand the Risks of Dual Agency

A real estate professional is required to give you this consumer information before providing services to you as a dual agent.

You are receiving this form because the real estate professional representing you also represents another party in the same transaction. This is known as “dual agency.”

Some examples of dual agency are when one real estate professional represents:

- a property seller and the buyer of that property

- two separate buyers who each hope to purchase the same property
- a landlord and tenant in the same transaction.

RISKS OF DUAL AGENCY

Dual agency limits a real estate professional's ability to share information with you and give you advice. It prevents them from exclusively acting in your best interest.

Your real estate professional's duties to you as a client change in dual agency.

IN MOST SITUATIONS...

- Your real estate professional must be 100% loyal to you and put your interests above all others.
- They must take reasonable steps to avoid conflicts of interest.
- They must fully disclose all facts in their knowledge that could affect your decision-making.
- They must protect your confidential information. They cannot reveal your motivation for buying/selling/leasing/renting, the minimum/maximum price that you are willing to pay or accept, or other confidential information, without your permission.

IN DUAL AGENCY...

- The duties that your real estate professional owes to you and their other client(s) will be limited, as set out in an agreement of dual agency.
- They cannot give you any advice on what purchase price you should offer or accept, or what terms you should include in the contract to protect your interests.
- They cannot make full disclosure to you of all material facts in their knowledge if that would breach their duty to protect their other client's confidential information.
- They cannot share information with you such as the other client's motivation or preferred terms, nor share your information with their other client.

DUAL AGENCY NOT ALLOWED IN BC IN MOST CASES

Because dual agency presents significant risks to consumers, it is not permitted in BC except in certain circumstances. A real estate professional may only provide dual agency to you when the property you wish to buy or

sell (or rent or lease) is in a remote location that is underserved by real estate professionals, and it would be impracticable for you and the other party to be represented by separate real estate professionals.

BC Financial Services Authority

is the legislated regulatory agency that works to ensure real estate professionals have the skills and knowledge to provide you with a high standard of service. All real estate professionals must follow rules that help protect consumers, like you. We're here to help you understand your rights as a real estate consumer.

Keep this information page for your reference.

Understand the Risks of Dual Agency

DISCLOSURE OF RISKS ASSOCIATED WITH DUAL AGENCY

This is a required disclosure form in compliance with sections 64 of the Real Estate Services Rules. A real estate professional must present the Understand the Risks of Dual Agency consumer information page to you along with this disclosure form.

STATEMENT OF BROKERAGE

This section must be completed by the managing broker before the disclosure is presented to the consumer.

Note to managing brokers: Please refer to the **Use of Dual Agency Exemption** guidelines regarding the factors to consider.

- I am satisfied that the criteria set out in section 64(1) of the Rules are met in this case.
- I have included the required description of the reasons why the requirements for engaging in dual agency have been met in this case.

This disclosure is made in respect of a property located at: _____

Managing Broker

Brokerage

Signature

Date

THIS SECTION MUST BE COMPLETED BY THE MANAGING BROKER.

Provide a **detailed description** of how the requirements for engaging in dual agency, as set out in section 64(1) of the Rules, have been met in this situation. Attach additional pages, if required.

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DISCLOSURE OF RISKS ASSOCIATED WITH DUAL AGENCY

REAL ESTATE PROFESSIONAL CONFIRMATION

- I confirm that I have given the clients the **Understand the Risks of Dual Agency** consumer information page and this disclosure form, including a signed Brokerage Statement.
- I confirm that I will provide the clients a dual agency agreement.

Name

Team name and members, if applicable. *The duties of a real estate professional as outlined in this form apply to all team members.*

Signature

Date

CONSUMER ACKNOWLEDGMENT:

This is NOT a contract

You Have Choices

It is up to you to decide whether you wish to enter into dual agency. You may wish to seek legal advice before making a decision.

You can say yes or no to dual agency. A real estate professional can only proceed in dual agency if both clients consent and enter into an agreement of dual agency.

If one or both clients say no to dual agency, the real estate professional who gave you this form will be unable to provide further real estate services to either client for this transaction.

I acknowledge that I have received:

- the **Understand the Risks of Dual Agency** consumer information page, and
- this disclosure form, including a signed Brokerage Statement and a detailed description of the reasons for engaging in dual agency.

Name

Name

Initials

Date

Initials

Date

IMPORTANT: The brokerage must provide a copy of this disclosure to the BC Financial Services Authority promptly after entering into a written agreement of dual agency. Send to dual-agency-disclosure@bcfsa.ca.