



RESIDENTIAL PROPERTY TRANSACTION CHECKLIST



MANITOBA
REAL ESTATE ASSOCIATION

Build. Empower. Uphold.

DISCLAIMER OF LIABILITY AND ALL RIGHTS RESERVED

The items in this transaction checklist and any recommendations contained herein are of a general nature only and are not exhaustive of all items, steps, analyses, best practises, obligations, or requirements. The use of this checklist should be considered in the context of the circumstances relevant to the property being offered for sale and purchased, and the specific expectations, preferences, needs, and requirements of the person receiving the real estate services.

No representation or warranty is made regarding the use of this material, and any use of this material is at the risk and responsibility of the user alone. The Manitoba Real Estate Association Inc. will not be liable or responsible for any loss arising from the reliance, use, or misuse of this transaction checklist or any other elements contained in this material; nor will it be liable or responsible for deficiencies, defects, errors, omissions, inaccuracies or outdated information that may be contained herein, or that may not have been updated if there has been a change in any relevant practice, law or legislation.

Users must apply their own personal skill and judgement in using this transaction checklist and material. This checklist and material are not intended to serve as a substitute for independent, expert, legal, or other professional advice. All users are cautioned to seek expert legal and other professional advice should questions arise or should users intend to rely on these materials in providing advice or recommendations to anyone, or with respect to any contractual or transactional matter they may be involved in.

May 2023

Note: Any reference to a single seller or a single buyer in this material includes the plural if there is more than one.

RESIDENTIAL PROPERTY TRANSACTION CHECKLIST

Checklist for Representing a Residential Seller Client_3

Before Listing the Property_____	3
Listing Presentation and Listing the Property_____	4
Showing the Property_____	7
Presenting the Offer(s)_____	7
Closing Activities_____	9

Checklist for Representing a Residential Buyer Client_10

Before Showing Properties_____	10
Showing Properties_____	11
Making an Offer on a Property_____	11
Negotiating the Offer_____	12
Closing Activities_____	14

Transaction File Checklist_____15

Descriptions and Recommendations When Representing a Seller and Buyer in a Residential Transaction_____17

Resources_____24

REALTOR® Name_____

CLIENT(S) Name_____

Name_____

PROPERTY Street_____

ADDRESS City/Town_____Province____Postal Code_____



CHECKLIST FOR REPRESENTING A RESIDENTIAL SELLER CLIENT

For additional information on the steps below, review the information with the corresponding section number, which is provided at the end of this document. Current versions of all forms referenced in this document can be accessed on [WEBForms®](#).



BEFORE LISTING THE PROPERTY

- Explain service agreements to the seller: **(1)**
 - Confirm the seller does not have an existing service agreement with another brokerage. Ensure the service agreement includes the information required by the *Real Estate Services Regulation*.
 - Owner signs service agreement.
 - Provide copy of signed service agreement to seller and place in brokerage transaction file immediately upon signing.
- Research comparable properties and local sales trends and provide to seller.
- Prepare the listing presentation package and arrange a meeting with the seller.



LISTING PRESENTATION AND LISTING THE PROPERTY

- Visit the property; confirm with the seller the information needed for the listing.
- Obtain a copy of the seller's most recent property tax statement to determine the property taxes and to obtain the title number of the property for title search purposes.
- Conduct an online search of the available municipal assessment information about the property such as lot size, age of improvements, zoning category, etc.
- Conduct a title search: **(2)**
 - Confirm the names of all owners listed on the status of title.
 - Consider ordering a copy of any plan of subdivision or plan of survey described in the legal description of the status of title to determine the property dimensions.
 - If the property is a condominium unit, consider obtaining a copy of the condominium holding title and a copy of the sections of the condominium plan that indicates the unit boundaries and the boundaries of any common elements that are exclusive to the unit.
 - Review the encumbrances registered on title to determine if any may need to be disclosed in section 5(a) of the offer to purchase form.
- Check the seller's government-issued photo ID and ensure the name matches the way it is listed on the title.
- Verify the property's zoning category and confirm whether its current use complies with the zoning bylaw and any zoning or use restriction agreement that may be registered on the title.
- Obtain other publicly available information that may be relevant such as determining the school catchment.
- Confirm with the seller whether anyone who is not a registered owner has homestead rights in the property. Consider whether it may be advisable to have the seller provide the *Seller's Homesteads Act Statements* declaration.
- Explain agency relationships referencing the *Working with a REALTOR® Brochure* and have the seller sign the acknowledgement section.
- Explain the *Acknowledgement of Limited Joint Representation* form as it may be applicable later in the transaction if your brokerage is representing the seller as well as a potential buyer. **(3)**
- Discuss the seller's goals and expectations for the sale of their property and desired timeline.
- Discuss whether the seller has an existing mortgage and recommend the seller consult with their lender to confirm any possible prepayment penalties associated with paying out the mortgage before its expiry.

- If the seller has an existing mortgage and the outstanding balance is significant, conduct an equity calculation with the owner to determine whether they will have sufficient sale proceeds to pay out the mortgage, taxes, legal fees, and brokerage remuneration.
- Confirm that the seller is a resident of Canada within the meaning of the *Income Tax Act* and confirm that the seller intends to be a resident of Canada upon the closing of the transaction.
 - If any seller is not a resident of Canada, or will not be a resident at closing, remind them to discuss it with their lawyer so that early arrangements can be made to apply for a certificate of compliance from the Canada Revenue Agency to avoid any delay or redirection of the sale proceeds at the time of closing.
- Discuss marketing strategy, the current market trends, share your opinion of value, and determine a listing price with the seller (the decision of the listing price is ultimately the seller's).
- Explain and complete the listing contract: **(4)**
 - Seller to sign the listing contract.
 - Signed copy of the listing contract to be provided to seller.
 - Signed copy of the listing contract to be placed in brokerage transaction file.
- Explain the use of the *Property Disclosure Statement*, including the obligations of the seller when completing the form, and review each of the questions to determine how they should be answered if the seller were to agree to provide the statement to a buyer. The seller's answers may reveal the necessity to make required disclosures, or for necessary amendments to be made to the statutory offer to purchase contract when the seller receives an offer. Ask the seller if they are prepared to complete and sign this document. **(5)**
- Confirm some key property details for the listing:
 - Any tenancies or other interests affecting the property. **(6)**
 - The property's water source, and if a private system, the status. **(7)**
 - The property's wastewater connection, and if a private system, the status. **(7)**
 - The property's heat source and fuel type.
 - Advise the seller to compile electrical and heat source utility bills to make them available should a prospective buyer request them.
 - Inquire about outstanding building permits and recent changes to the property. **(8)**
 - Confirm the date of any improvements. Note any significant improvements that may not be immediately visible to a buyer, such as asbestos remediation, knob-and-tube or aluminum wiring removal, foundation repair/waterproofing, radon remediation, etc.

- Identify any fixtures to be excluded, and any chattels to be included.
 - Inquire about any unregistered agreements such as an easement known to the seller (e.g., an informal arrangement with a neighbour) that may affect a buyer.
 - Search online or contact the municipal authority for additional information about the property that may cause it to be stigmatized (e.g., past scene of a crime, used for production of illegal drugs, etc.). Discuss disclosure with the seller as needed.
- Measure the property.
 - Confirm whether the seller has a recent surveyor's building location certificate, lot staking certificate, and zoning memorandum.
 - Inquire, and verify by reviewing any available building location certificate and zoning memorandum, if the seller is aware of any encroachments beyond the property boundaries, or if the location of any improvements on the property do not comply with the zoning regulation.
 - Advise of any staging changes or repairs that would be beneficial for showing the property.
 - Arrange a time for photography/video.
 - Arrange for advertising signage to be placed on the property and any other marketing materials (be sure all advertising complies with *The Real Estate Services Act* and its regulations, and your brokerage policies).
 - Obtain a key or access code from the seller and permission to use a lockbox on their property.
 - Prepare showing instructions for potential buyers.
 - If using the MLS® System, prepare the appropriate MLS® data input form and the listing contract.
 - Have the seller review and approve the listing contract, MLS® data input form, and all marketing materials.
 - Place a copy of the approved listing and marketing materials in the brokerage transaction file.
 - Activate the listing and inform the seller it has been published; send a link for the online listing to the seller where applicable.



SHOWING THE PROPERTY

- If there is a start date for showings, obtain an irrevocable direction from the seller stating that no showings of the property are to occur, and no offers are to be presented prior to that date.
- Relay any showing feedback received from any potential buyer to the seller.
- If your brokerage is representing a potential buyer as well as the seller, explain the *Acknowledgement of Limited Joint Representation* form and ensure both the buyer and the seller sign the form. **(9)**
- Conduct an open house (if desired by the seller):
 - Ensure proper safety precautions are taken for your own personal safety.
 - Have the seller remove or secure valuables and personal documents.
 - Once complete, conduct a walk-through of the property to ensure it is secure, e.g., no water left running, no individuals remaining on the property, windows and doors closed and locked, etc.



PRESENTING THE OFFER

- Arrange a time to present any offer to the seller. Reminder: if there is an offer date specified in the listing, the seller must not consider any offers prior to that date.
- Ensure each offer presented is in the prescribed form and complies with and includes the required information as per *The Real Estate Services Act* and the *Real Estate Services Regulation*.
- Follow the *Practice Directive Matters Related to Presentation of Offers* when there is more than one offer. The practice directive can be found [here](#).
- Review and explain the terms of each offer to the seller. Advise the seller of their options for accepting, rejecting, or countering the offer. **(10)**
- If the seller accepts the offer, explain and complete the relevant sections of the offer to purchase form:
 - Ensure acceptance is in writing and in the prescribed form and complies with the requirements as set out in *The Real Estate Services Act* and the *Real Estate Services Regulation*.
 - Seller accepts and signs the chosen offer to purchase. If there is more than one owner, ensure the offer is signed by each owner.
 - If the property is homestead and there is any concern that a person who is not a registered owner may have homestead rights in the property, have the seller complete the *Seller's Homesteads Act Statements* declaration prescribed in the *Real Estate Services Regulation*

- before a commissioner for oaths in Manitoba or before another person authorized to take affidavits under *The Manitoba Evidence Act*. (11)
- Communicate acceptance of the offer to the buyer's representatives and provide copies of the completed offer documents to the buyer's representative, the seller, and your brokerage.
 - Follow *The Real Estate Services Act* and requirements under its regulations and your brokerage's procedures for handling deposits. (12)
 - Confirm that the relevant documents have been submitted to the seller's lawyer.
- If the seller wishes to make a counteroffer to the buyer, communicate this intention to the buyer's representative and negotiate according to the seller's instructions:
- Explain and complete the relevant sections of the offer to purchase form regarding the counteroffer. Ensure the counteroffer is in writing and in the prescribed form and is compliant with the requirements set out in *The Real Estate Services Act* and the *Real Estate Services Regulation*.
 - Have the seller sign the offer to purchase form containing the counteroffer provisions.
 - If the property is homestead and there is any concern that a person who is not a registered owner may have homestead rights in the property, have the seller complete the *Seller's Homesteads Act Statements* declaration prescribed in the *Real Estate Services Regulation* before a commissioner for oaths in Manitoba or before another person authorized to take affidavits under *The Manitoba Evidence Act*. (11)
 - Submit without delay the completed counteroffer to the buyer's representative or if the buyer does not have a representative, to the person who made the offer.
 - If the buyer accepts the counteroffer, communicate this to the seller without delay and provide the seller with a copy of the signed offer form.
 - Follow *The Real Estate Services Act* and requirements under its regulation and your brokerage's procedures for handling deposits. (12)
 - Confirm that the relevant documents have been submitted to the seller's lawyer.
 - If the buyer rejects the counteroffer, communicate this to the seller without delay and provide the seller and your brokerage with a copy of the rejected offer form.
- If the seller rejects the offer, indicate so on the appropriate section of the offer form:
- Provide a copy of the rejected offer to all parties.
 - If a deposit cheque was included with the offer to purchase form, follow *The Real Estate Services Act* and requirements under its regulation and your brokerage's procedures for handling deposits. (12)

- Follow your brokerage's policies regarding FINTRAC compliance. Here are some forms that may need to be completed. Consult with your brokerage's FINTRAC compliance officer to determine which forms are required for the transaction: **(13)**
 - *Beneficial Ownership Record*
 - *Corporation Entity Identification Information Record*
 - *Identification Mandatory/Agent Agreement*
 - *Individual Identification Information Record*
 - *Politically Exposed Person/Head of International Organization Checklist/Record*
 - *Receipt of Funds Record*
 - *Risk Assessment Form*
- Retain copies of all offers and associated forms in your brokerage's transaction file. **(14)**



CLOSING ACTIVITIES

- If a deposit is to be provided later, ensure it is received within the stated time and follow *The Real Estate Services Act* and its Regulation, and your brokerage's procedures, for the proper handling of deposits. **(15)**
- Follow up with any outstanding conditions (complete the necessary forms for conditions that have been satisfied or that are to be removed or waived); provide copies of signed documents to the seller, and to the buyer's representative.
- Retain notices or other paperwork regarding conditions in your brokerage's transaction file.
- Confirm that the relevant documents have been submitted to the seller's lawyer.
- Update MLS® System listing status and information.
- Update listing status on other websites, if applicable.
- Retrieve lockbox and return key to the appropriate party.
- Arrange for signage to be removed.
- Ensure a copy of all records and client correspondence required under Section 6.1 of the *Real Estate Services Regulation* is stored in the brokerage's transaction file. **(16)**



CHECKLIST FOR REPRESENTING A RESIDENTIAL BUYER CLIENT

For additional information on the steps below, review the information with the corresponding section number provided at the end of this document. Current versions of all forms referenced in this document can be accessed on [WEBForms®](#).



BEFORE SHOWING PROPERTIES

- Explain service agreements to potential buyer: (1)
 - Confirm that the potential buyer does not have an existing exclusive service agreement with another brokerage.
 - Ensure the service agreement includes the information required by the *Real Estate Services Regulation*.
 - Buyer to sign the service agreement.
 - Provide a copy of the signed service agreement to the buyer and retain a copy in the brokerage's transaction file immediately upon signing.
- Discuss a buyer agency agreement, if applicable.
- Explain agency relationships referencing the *Working with a REALTOR® Brochure* and have the buyer sign the acknowledgement section.
- Confirm the buyer is pre-approved for financing and discuss budget.
- Obtain the buyer's permission to send listings to them that meet their search criteria.



SHOWING PROPERTIES

- Arrange a showing time with the listing salesperson using the method stated within the listing (e.g., Touchbase).
- Review the REALTOR® remarks and inquire with the listing salesperson about lockbox location and other showing information (such as an alarm system, pets in the house, etc.) as needed.
- If your brokerage is representing the seller as well as the potential buyer, explain the *Acknowledgement of Limited Joint Representation* form and ensure both the buyer and seller sign this form. **(9)**
- Review the listing and provide this information to the potential buyer.
- Show the property at the appointed time and have measures in place for your personal safety. **(17)**
- Leave a business card in an obvious place, leave the property as you found it, and return the key to the lockbox.
- Determine whether the potential buyer is interested in writing an offer and confirm the offer date, if any.
- Communicate showing feedback to the listing salesperson.



MAKING AN OFFER ON A PROPERTY

- Research comparable properties and local sales trends and provide this information to the potential buyer.
- Encourage the potential buyer to consult with relevant authorities or experts to address questions you are unable to answer. **(18)**
- If a *Property Disclosure Statement* is available, review it with the buyer; if it is acceptable to them, have the buyer sign it. **(19)**
- Arrange a time with the buyer to complete the offer.
- Consider obtaining and reviewing with the buyer a status of title for the property and any title encumbrances that will remain on the title after the closing of the transaction.
- Follow your brokerage's policies regarding FINTRAC compliance. Here are some forms that may need to be completed. Consult with your brokerage's FINTRAC compliance officer to determine which forms are required for the transaction: **(13)**
 - *Beneficial Ownership Record*
 - *Corporation Entity Identification Information Record*

- *Identification Mandatory/Agent Agreement*
 - *Individual Identification Information Record*
 - *Politically Exposed Person/Head of International Organization Checklist/Record*
 - *Receipt of Funds Record*
 - *Risk Assessment Form*
- Important aspects to note when writing the offer:
- Confirm that the buyer's name and address matches what is shown on their current government-issued identification.
 - Confirm financing information, inclusions, and any other terms or conditions with the buyer. **(20)**
 - Complete the statutory offer form in compliance with *The Real Estate Services Act* and the *Real Estate Services Regulation* (and the buyer's instructions). **(21)**
 - Fully explain the offer to the buyer and address any questions.
 - Have the buyer sign the required sections on the offer to purchase form.
- Provide a copy of the offer to purchase form to the buyer.
- Include the signed *Property Disclosure Statement* with the offer, if applicable.
- If a deposit is provided with the offer, follow *The Real Estate Services Act* and the requirements under the *Real Estate Services Regulation* and your brokerage's procedures for handling deposits. **(12)**
- Submit the offer to the listing salesperson or to the individual selling the property, if applicable.



NEGOTIATING THE OFFER

- Explain to the buyer that the seller has the option to accept, reject, or counter their offer.
- If the listing salesperson informs you there are multiple offers, communicate this information to the buyer, and explain and follow the *Practice Directive Matters Related to Presentation of Offers*. The practice directive can be found [here](#).
- If the buyer wishes to make changes to their offer, communicate these changes in writing to the listing salesperson.
- If the seller accepts the offer:
- Communicate acceptance to the buyer without delay.

- Provide a copy of the signed offer to the buyer without delay.
- Confirm that the relevant documents have been submitted to the buyer's lawyer.
- Ensure a copy of the signed offer is stored in your brokerage's transaction file.
- If the seller rejects the offer:
 - Communicate rejection to the buyer without delay.
 - Provide a copy of the rejected offer to the buyer without delay.
 - Ensure a copy of the rejected offer is stored in your brokerage's transaction file.
- If the seller counters the offer:
 - Communicate the seller's counteroffer to the buyer without delay.
 - Support the buyer in deciding whether to accept the counteroffer; answer any questions they have.
 - If the buyer accepts the counteroffer, ensure the person accepting the counteroffer is entitled to sign, and have them sign the relevant section of the offer to purchase.
 - Provide signed copies of the offer to the buyer and the seller's representative without delay.
 - Confirm that the relevant documents have been submitted to the buyer's lawyer.
 - Ensure a copy of the offer is stored in your brokerage's transaction file.
 - If the buyer wishes to counter the counteroffer, advise them that they should prepare a new offer to purchase form with the appropriate terms.
- Ensure copies of all documents are provided to the buyer and the seller's salesperson.
- Ensure copies of all documents are stored in your brokerage's transaction file.

(14)



CLOSING ACTIVITIES

- If a deposit was not delivered with the offer, follow up with the buyer to ensure it is received within the timeline stated in the offer.
- Follow *The Real Estate Services Act* and the requirements under the *Real Estate Services Regulation* and your brokerage's procedures for handling deposits. **(12)**
- Follow up with any outstanding conditions (complete the necessary forms for conditions that are satisfied, removed, or waived); provide copies of signed documents to the buyer and to the seller's representative.
- Confirm that the relevant documents have been submitted to the buyer's lawyer.
- At the buyer's discretion, arrange a time to meet them at the property on the possession date; inspect the property to ensure everything is in the condition expected, that all inclusions are present, etc. Contact the listing salesperson right away if there is a problem and support the buyer in seeking a satisfactory resolution.
- Ensure a copy of all correspondence related to the sale is stored in the brokerage's transaction file. **(16)**



TRANSACTION FILE CHECKLIST

Keep copies of the following documents in your brokerage's transaction file where applicable.

- Service agreement and any amendments
- Working With a REALTOR®* brochure containing the acknowledgement signature
- Status of title
- Copy of plan of subdivision or plan of survey
- If the property is a condominium unit, retain a copy of the portion of the condominium plan which delineates the unit and any common elements that are exclusive to the unit
- Building location certificate and zoning memorandum
- Listing contract and MLS® System data input forms
- Measurement report
- Seller-approved advertising materials for the property
- Acknowledgement of Limited Joint Representation* form
- FINTRAC compliance forms:
 - *Beneficial Ownership Record*
 - *Corporation Entity Identification Information Record*
 - *Identification Mandatory/Agent Agreement*
 - *Individual Identification Information Record*
 - *Politically Exposed Person/Head of International Organization*

Checklist/Record

- *Receipt of Funds Record*
- *Risk Assessment Form*
- Offer to purchase
- Schedules or addendums to the offer to purchase
- List of multiple offers
- Property Disclosure Statement*
- Condominium documents
- Notices regarding conditions (waived, satisfied, not satisfied) and condition satisfaction/ non-satisfaction supporting documents such as lender approval letters and property inspection reports
- All correspondence and other records that accurately record your business activities, financial affairs, and transactions with the buyer and seller to adequately demonstrate compliance with *The Real Estate Services Act* and the *Real Estate Services Regulation* (including all texts and emails)
- All correspondence related to the transaction with other parties (other salespersons, banks, lawyers, city/municipal authorities, etc.)
- Memos and notes related to the transaction (dated and initialled)
- Trade record sheet that includes:
 - Date the offer was made
 - Date the offer was accepted
 - Address/legal description of the property
 - Names and addresses of the buyer and the seller
 - The selling price
 - Remuneration received and manner of calculation



DESCRIPTIONS AND RECOMMENDATIONS WHEN REPRESENTING A SELLER AND BUYER IN A RESIDENTIAL TRANSACTION

- (1) Introduce the service agreement prior to providing any services to the potential buyer or seller.

Explain the service agreement your brokerage uses, including what services you offer to provide for the buyer or seller and how you will be compensated for them. If the form of service agreement your brokerage uses includes clauses that impose obligations on the buyer or seller beyond what is required by the *Real Estate Services Regulation*, such as exclusivity, be sure the buyer or seller understands what their obligations are. Be clear about the timeline for the contract and any provisions for cancelling the agreement before the expiration date. To assist in explaining service agreements, the *Our Pledge. Your Proof.* brochure can be found [here](#).

To avoid the possibility of a dispute with another brokerage, confirm with the buyer or the seller (as the case may be) that they do not have an existing service agreement with another brokerage.

When the buyer or seller is comfortable with the terms of the agreement and you have addressed all their questions regarding it, have the buyer or seller sign it. Ensure the service agreement includes the following information:

- (a) the identity of the parties to the agreement;
- (b) the description of the services to be provided;
- (c) the date the agreement is made and the date it expires;
- (d) any rights by either party to terminate the agreement before it expires; and
- (e) a description of the terms of payment or compensation to be provided under the agreement.

Be sure that if there is more than one seller during this transaction that any additional owner signs the agreement.

Section 26(1) of *The Real Estate Services Act* requires that a registrant who enters into a service agreement with a person must give the person a copy of the agreement without delay after it is signed.

Your brokerage is required by the *Real Estate Services Regulation* to maintain a copy of each service agreement and all transaction documents in a safe location and in a durable form for a minimum of five years. Your brokerage may have additional policies regarding document retention for insurance or other purposes. Make sure you are complying with your brokerage's policies and procedures for storing and backing up transaction documents.

- (2) It is strongly recommended that you conduct a title search for the property. This can be done in person at a Land Titles Office or online [here](#) or through a lawyer.

Review the names of the legal owners identified on the title and be sure to confirm the accuracy of what is on title with the seller. Remember that any documents related to the sale of the property will need to be signed by all registered owners. In the case of a power of attorney, an estate sale, or when someone else has the power to sell the property on behalf of the owner, ensure that the person has the legal authority to do so. Obtain a copy of the power of attorney, or where the person has died, obtain a copy of the will or grant of probate. If someone has homestead rights in the property, such as the owner's spouse or common-law partner, but is not listed as an owner on the title, note that the completion of a *Homesteads Act Consent to Disposition and Acknowledgment* form will be required. Take note of any private easements, encroachments, liens, municipal development agreements, or other encumbrances registered on the title that are expected to remain on title after the completion of the transaction, as these may need to be addressed or disclosed during the sale process.

Check with the local city, town, or municipal planning office to confirm the zoning and acceptable uses of the property. This is particularly important for properties where the potential buyer may wish to subdivide, redevelop, or change the use of the property, or where a conditional use or non-compliant use variance is in place that may have restrictions or may state an expiry by time, or by change of ownership.

Research other publicly available information about the property that may impact its value, such as taxes, special assessments or local improvement levies, development plans, and flood risk and protection requirements (e.g., is the property located inside a floodway, or municipal ring or secondary dike, or within a flood zone).

You may also wish to confirm the school catchment for the property, as certain schools with specific language or other programming may be a priority for certain buyers. Catchment information is often available on the applicable school division websites. A map of school divisions in Manitoba and additional information may be found [here](#).

- (3) Explain to the seller what it means for you to represent them in terms of the agency relationship. If there is potential for a conflict of interest to occur because your brokerage may represent a buyer for the seller's property, explain how you might propose to manage the situation with a limited joint representation agreement. Use the *Working with a REALTOR®* brochure to assist with this and have the buyer sign it to indicate they understand and are providing their consent. If your brokerage has any additional policies or requirements, be sure to follow them.
- (4) Thoroughly explain the listing contract to the seller. Ensure the seller understands their obligations under the terms of the contract, including the brokerage's remuneration and how it will be calculated, under what circumstances you are entitled to be paid, and the duration of the contract.

Once you have explained the listing contract and addressed the seller's questions, have the seller sign it and provide a copy of the signed contract to the seller. If there is more than one owner, ensure that everyone who is registered on title as an owner signs the listing agreement. Remember that only the owner(s) registered on the title are to sign the listing agreement, or those with legal power of attorney.

Your brokerage is required by the *Real Estate Services Regulation* to maintain a copy of all transaction documents for a minimum of five years. Your brokerage may have additional policies regarding document retention for insurance or other purposes. Make sure you are complying with your brokerage's policies and procedures for storing and backing-up transaction documents.

- (5) Explain each part of the *Property Disclosure Statement* form. Since this is not a mandatory form, the seller is not required to complete it. If the seller is reluctant to complete it, do your best to address their concerns and let them know that a potential buyer may make providing the completed *Property Disclosure Statement* a condition of their offer. Ensure that a copy of the completed *Property Disclosure Statement* is provided to the seller and stored in your brokerage's transaction file. If the seller decides to complete a *Property Disclosure Statement* form, explain the seller's obligations when completing the form and the information they are required to provide. Do not fill out the form on behalf of the seller.
- (6) Ask the seller if there are any tenancies or other interests in the property that could affect the sale. If the property is tenant-occupied, inquire whether the seller intends for the property to be vacant on the possession day or if the existing tenants are interested in remaining there after the sale. Obtain a copy of the lease agreement and determine any termination rights under Section 98 of *The Residential Tenancies Act*. Remember that if the property is occupied by a tenant who resides with a child who is attending a school which is reasonably accessible to the property, the tenant may be entitled to certain rights of continued occupancy during the school year.

- (7) Confirm whether the property is connected to public water and wastewater services. If not, obtain information from the seller about the private water or wastewater system including the age, location, service records, and the condition of all the system's components. Also make inquiries as to whether the private water or wastewater system is compliant with local bylaws and provincial regulations. If the water source is from a shared well, confirm how many properties have access to the well, on which property the well is located, if an easement is registered to draw water from the well, and whether there are usage fees or maintenance cost obligations. Obtain a copy of any shared well agreement.
- (8) Verify with the seller whether any work has recently been completed on the property. Inquire if there has been any work done without a required building permit, and whether there are any outstanding building permits that remain open pending final inspection. For properties within Winnipeg, permit issuances for work done after January 1, 2000, can be searched online [here](#).
For properties outside Winnipeg, contact the city, town, or municipal office for direction as to how to conduct an open or completed building permit inquiry.
- (9) Should you or another salesperson from your brokerage submit an offer on behalf of a buyer, both the buyer and the seller will have to agree to be represented by the same brokerage. If either party does not agree, they will need to seek alternate representation or proceed without representation. The *Acknowledgement of Limited Joint Representation* form should be used to assist in explaining and obtaining written consent. If your brokerage has additional policies regarding joint representation situations, be sure to follow them. Recall that in these situations, the use of the *Acknowledgement of Limited Joint Representation* form requires that neither the salesperson nor anyone else from the brokerage is to disclose certain information about the buyer or seller, such as what remuneration either party might be willing to pay or accept, the motivations of either party, information they may have about competing offers, etc.
- (10) Open the offer in front of the seller. Review the terms of the offer including the selling price, deposit amount, inclusions, conditions related to the *Property Disclosure Statement*, financing, and inspections, as well as any other clauses that have been added to benefit the buyer. If there is more than one offer, refer to the *Practice Directive Matters Related to Presentation of Offers*. Encourage the seller to review all the offers before making any decisions. Draw attention to similarities and differences between the offers but present neutral statements of facts rather than giving your personal opinion. The practice directive can be found [here](#).
- (11) If the property is homestead under the definition in *The Homesteads Act* and a person who is not an owner has homestead rights in the property, the seller must provide the buyer with a *Homesteads Act Consent to Disposition and Acknowledgment* form completed by the person in the

prescribed form at the time the acceptance of the offer is delivered to the buyer. The signing of the *Homesteads Act Consent to Disposition and Acknowledgment* form must be witnessed by a commissioner for oaths in Manitoba. If you do not have this designation, you must arrange for someone who is either a commissioner for oaths in Manitoba or another person authorized to take affidavits under *The Manitoba Evidence Act* to complete the form.

- (12) All deposits received as part of a real estate transaction must be deposited into your brokerage's trust account by the end of the next business day after the deposit is received. *The Real Estate Services Regulation 5.6(2)* states that:

If the deposit is paid in cash (the *Real Estate Services Regulation* defines cash to include a wire transfer, money order or electronic funds transfer) and the buyer's brokerage is not also the seller's brokerage, then:

- (a) the buyer's brokerage must deposit the money into its trust account by the end of the next business day after it is received; and by the end of the next business day after the offer is accepted, the buyer's brokerage must transfer the money into the listing brokerage's trust account or issue and send a trust cheque for the amount to the listing brokerage; and
- (b) the listing brokerage must deposit the trust cheque, if any, by the end of the next business day after its receipt.

If the deposit is paid by cheque or bank draft, then it must be forwarded to the listing brokerage within the time set out in the offer, or otherwise along with the offer and if the offer is accepted then, by the end of the next business day, the listing brokerage must (i) deposit the cheque in its trust account or (ii) present the cheque at the financial institution on which it was drawn and if the financial institution certifies the cheque or issues a bank draft or money order must deposit such certified cheque, bank draft or money order by the end of the next business day. If the financial institution refuses to certify the cheque or issue a bank draft or money order the brokerage or registrant may treat the cheque as dishonoured.

- (13) While every brokerage will have their own FINTRAC compliance policies and procedures, the Canadian Real Estate Association has made forms available on **WEBForms®** for members. These forms are not mandatory (for example, you could create your own forms) but may assist you in complying with your legal obligations. You should consult the FINTRAC compliance officer for your brokerage to ensure you are completing the correct sections of applicable forms for your circumstances.

- (14) Your brokerage is required by *The Real Estate Services Act* and its regulations to maintain a copy of all transaction documents for a minimum of five years, including all offer forms received in response to a listing.

Your brokerage may have additional policies regarding document retention for insurance or other purposes. Make sure you are complying with your brokerage's policies and procedures for storing and backing up transaction documents.

- (15) If a deposit was not provided with the delivery of the offer to purchase but was promised to be delivered later, follow up with the buyer's representative to ensure that it is received within the timeline stated in the offer. If a deposit was promised by the buyer but is not received by the deadline, the seller may be entitled to cancel the contract if certain notice and cancellation procedures are followed, and/or the seller may be entitled to pursue legal action against the buyer for the unpaid deposit. If the seller wishes to cancel the contract because the buyer defaults in the payment of a deposit, you should always advise the seller to consult their lawyer before doing so.
- (16) You have an obligation under section 6 of the *Real Estate Services Regulation* to maintain records for five years to demonstrate compliance with *The Real Estate Services Act* and the regulations under the Act, including copies of all correspondence (including texts and emails) with any client. Your brokerage has additional obligations under the Act and regulations to maintain all records in a durable and retrievable form for a minimum of five years. Your brokerage may have additional policies regarding document retention for insurance or other purposes. Make sure you are complying with the Act and regulations as well as your brokerage's policies and procedures for storing and backing-up these documents.
- (17) Arrive on time for the showing appointment. Dress appropriately for the weather and in clothing that you can easily move in. Take precautions for your own safety such as ensuring someone knows where you are and how long you will be there, parking where you will not be blocked in, keeping your cell phone in your hand, walking behind the buyer, and so on. Do your best to answer questions the buyer has about the property and point out any areas of concern that you observe. If the buyer has questions that are beyond the scope of your competence or beyond the scope of the services you have agreed to provide, you should always advise the buyer to speak to a relevant expert to seek out the required information.
- (18) If the buyer has specific questions or concerns about the property that are beyond your ability to answer, encourage them to contact a relevant expert. If they ask for a recommendation for a contractor, inspector, electrician, engineer, etc., provide them with a few options to choose from if possible. If your brokerage receives a referral fee from anyone you recommend, you should disclose this to the buyer. Follow any of your brokerage's policies regarding recommending experts.
- (19) Sometimes a *Property Disclosure Statement* will be made available to potential buyers in advance of the offer date. When this is the case, review the *Property Disclosure Statement* with the buyer and discuss any areas of concern. Note how long the seller has owned the property and whether they lived in it, as this may impact how much weight to give to some of the disclosures provided. If the *Property Disclosure Statement* is acceptable to

the buyer, have them sign it and include it to form part of their offer to purchase. Remember that if a *Property Disclosure Statement* is not provided, the buyer has the option to require one as a condition of their offer. In instances where someone is acting on behalf of the owner, such as under a power of attorney or as the executor of an estate, they may not have sufficient knowledge about the property to provide a suitable *Property Disclosure Statement*.

- (20) Use the Manitoba Real Estate Association's *Buyer's Checklist and Acknowledgement of Advice* form to review the list of conditions that the buyer may wish to have inserted into their offer. If there are issues or areas of concern that require verification but are not addressed by any of the conditions set out in the checklist, refer to *The Manitoba Real Estate Association Inc. Clauses and Phrases for use with Offers to Purchase and Real Property* resource book for a suitable clause, or suggest the buyer consult their lawyer for appropriate condition or clause wording. Ensure all conditions and terms the buyer indicates they intend to include are inserted into the offer to purchase.
- (21) Complete the statutory offer to purchase in compliance with the buyer's instructions and *The Real Estate Services Act* and the *Real Estate Services Regulation* and leave a copy with the buyer. Remember that every offer to purchase must be in writing and include the date the offer is made, the names and addresses of the parties, street address or legal description, the offer price and the terms and conditions, deposit amount and whether it forms part of the purchase price, method of payment for the deposit and to whom payment is made (if there is a deposit), any promises made by the brokerage (or registrant acting on behalf of the brokerage), a description and list of included chattels, possession date and occupancy status, adjustment date, offer expiry date, name of the brokerage, name of the salesperson providing services on behalf of the brokerage, including the name of any personal real estate corporation that the salesperson provides services through (*Real Estate Services Regulation* 4.3).



RESOURCES

The Manitoba Real Estate Association (MREA) provides additional resources to support you in complying with your obligations as a real estate registrant.

- BRITE (Brokerage Resources, Insight, & Training Education)
 - Short videos explaining various legislative and regulatory topics. Available on the [MREA YouTube channel](#).
- *The Real Estate Services Act*
 - *RESA 2022 Learning Series*: Handbook, video sessions, webinars, FAQ, and forms to guide you through your requirements under the new legislation. Available through [MREA Online Education](#).
 - *RLE 22 Video Sessions*: Handbook and other resources available through [MREA Online Education](#).
- *RLE 22 Online: Understanding Canada's Anti-Money Laundering Laws*
 - Guidance and FINTRAC resources developed by the Canadian Real Estate Association. Available through [MREA Online Education](#).



MANITOBA
REAL ESTATE ASSOCIATION

Build. Empower. Uphold.

REALTOR® Place
1873 Inkster Blvd.
Winnipeg, MB R2R 2A6

T: 204.772.0405 or 1.800.267.6019

F: 204.775.3781

manitobarealestate.com