

# New Legislation Changes how Homes are Sold in Ontario



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The implementation of Ontario's Trust in Real Estate Services Act (TRESA) on December 1, 2023, followed by the Canadian Real Estate Association's (CREA) Cooperative Policy on January 1, 2024, has brought about significant changes to Ontario's real estate environment, affecting buyers, sellers, and real estate professionals alike.

TRESA now allows sellers the option to choose between traditional blind bidding or disclosing any or all terms of offers to competing buyers. This departure from prior restrictions on such disclosures by Realtors has added new complexity to the decision-making process for buyers and sellers. The ability to disclose offer contents presents a new level of transparency which can benefit all parties by enabling more informed decisions and providing buyers with greater insight into their negotiation position. This increased transparency can foster trust and goodwill among all transaction participants. Buyers also have the option to include clauses in Their offers that nullify their offers if the seller



discloses their terms to other buyers. So, how will buyers and sellers determine the best approach for their circumstances? Experienced Realtors with market insight play a pivotal role in guiding clients through the pros and cons. Clear communication with Realtors remains essential to align their actions with personal objectives.

TRESA has aimed to caution against and mitigate conflict of interest scenarios, including multiple representations, although it has not outright prohibited this practice. TRESA seeks to educate consumers and underscores the importance for clients to protect themselves against potential conflicts. Consumers should thoroughly review agency agreements to ensure their expectations are aligned and protected. Realtors working with sellers must address the implications of CREA's Cooperative

Policy, which prohibits public marketing of listings until 72 hours before their posting on MLS (Multiple Listing Service). This restriction necessitates careful scheduling of marketing activities and may influence the seller's decision on when they will respond to offers. A seller may choose to have offers conveyed to them at a future date if it is important to them that prospective buyers have an opportunity to become aware of the listing and have an opportunity to view the property and prepare an offer before it sells.

TRESA and CREA's Cooperative Policy have fundamentally reshaped Ontario's real estate landscape, requiring new approaches to offer negotiations and marketing strategies. To ensure optimal outcomes, a Realtor's expertise is more instrumental than ever in interpreting legislative changes and devising strategies tailored to clients' unique circumstances.