

**EXCLUSIVE BROKERAGE CONTRACT – PURCHASE
CHIEFLY RESIDENTIAL IMMOVABLE CONTAINING
LESS THAN FIVE DWELLINGS EXCLUDING CO-OWNERSHIP**

AMENDMENTS - HIGHLIGHTS

CLAUSE 2.1 – OBJECT AND TERM OF CONTRACT

Integration of the *Warning to the buyer*

Since June 2022, licensees who have signed an *Exclusive brokerage contract – Purchase – Chiefly residential immovable containing less than five dwellings excluding co-ownership (BCP)*, have had to provide their clients with a *warning* included in the OACIQ standard clause 1.16. The aim of this *Warning* is to inform the consumer that the BCP can be terminated in a double representation situation in accordance with section 29.1 of the *Real Estate Brokerage Act* (CQLR, c. C-73.2). The licensee had to insert it in section 10.1 of the BCP or in Annex G.

The *Warning* is now incorporated into clause 2.1 of the BCP, which removes the obligation for the licensee to insert it in section 10.1 or in Annex G.

CLAUSE 7 – DECLARATIONS AND OBLIGATIONS OF THE BUYER

Clause 7.2 - The buyer's right to take steps on his own

A clarification is made to clause 7.2 to emphasize that, by analogy with the brokerage contract to sell, the buyer has the right to search for a property on his own. The concept of exclusivity applies only between licensees. However, the buyer bound by a BCP must disclose to the owner of an immovable or to his broker that he is represented by a licensee. He must also inform his own broker of the steps he has taken and of his interest, if any, in buying a property, especially following an open house.

CLAUSE 8 – OBLIGATIONS OF THE AGENCY OR THE BROKER

Clause 8.1 par. 5 b) c) – written notice and consent of the buyer in the event of an exception to the double representation prohibition

A clarification is made to clause **8.1.5b)** to the effect that the licensee must inform the buyer **in writing** if one of the exceptions to the double representation prohibition rule applies.

There are two exceptions:

- There is no other licence holder whose establishment is situated within a 50-kilometer radius of the immovable for which the buyer intends to make a proposal for the purposes of its purchase, lease or exchange who may act as the buyer's intermediary;
- The broker through whom the agency is acting under the contract relating to the sale, lease or exchange of the immovable is not the broker through whom the agency represents the buyer under the brokerage contract to purchase.

Clause **8.1.5c)** is added to clarify that in the event of an exception to the double representation prohibition rule, the licensee must, in order to continue to represent the buyer, obtain the buyer's written consent before the buyer makes a proposal to purchase, lease or exchange the immovable, failing which the licensee shall terminate the BCP.

Make sure you use standard clause 1.15 "Notice regarding the exception applicable in a situation of double representation," which contains all the required statements.

Clause 8.1 par. 6 – obligation to disclose any remuneration agreement

The licensee must inform the seller, in writing and without delay, of any remuneration agreement in his favour related to the object of the brokerage contract. This clause has been harmonized with the new wording of section 36 of the *Regulation respecting brokerage requirements, professional conduct of brokers and advertising* (c. C-73.2, r. 1). The old wording suggested that there were remuneration agreements that could not put the licensee in a conflict of interest.

OTHER MINOR CHANGES ARE STRUCTURAL IN NATURE.