



THE MANITOBA
SECURITIES
COMMISSION

May 4, 2010

**TO ALL REAL ESTATE BROKERS,
AUTHORIZED OFFICIALS AND SALEPERSONS**

It is imperative that all real estate brokers make their authorized officials and salespeople aware of the following guidelines.

Advertising Guidelines

The Real Estate Brokers Act (the "Act") requires that when a salesperson advertises real estate for sale that the advertisement **clearly** indicates the name of the employer. It has come to the Commission's attention that in some cases while advertising properties for sale, signage is placed on the property that does not display the broker's name visibly to identify who the salesperson is employed with. This is sometimes more prevalent when an agent is marketing a new home on behalf of a builder or when the agent is member of a "team". Also some signs will show just the web site name and not the name of the broker.

Steps should be taken to ensure that the signage properly displays the broker's name.

Team Name Guidelines

To ensure that the public is not misled or confused, a team name must not give the impression of being an incorporated company or broker, i.e. Joe Blogg and Company, Joe Blogg Realty, Blogg Real Estate Services are not acceptable. Some acceptable team names for example, may include the words, "Team", "Group", "Associates", or "Network". Of course a team must consist of more than one person.

Under listing Properties

The Commission has received information that salespeople are deliberately under listing properties in order to create a "bidding war". In the Act, under the definition of **fraud** it includes, "*any course of conduct or business calculated or put forward with intent to deceive the public or the purchaser or the vendor as to the value of real estate.*" By under listing the property the agent is deceiving the public and creating an interest in the property to buyers who are not qualified to purchase the property at the price that the vendor is expecting to sell the property.

Note: Counselling the vendor to list the property below market value would also be considered a violation.

If the Commission receives a complaint and the salesperson is found to have been in violation of the Act appropriate disciplinary action will be taken which could result in the suspension of the salesperson's license and/or prosecution under the Act.

W.D. Baluk
Registrar
The Real Estate Broker Act