Real Estate Council Alberta

reca.ca

RECA Resource
Information Bulletins

LAST REVISED
August 2026
©2017 RECA

Customer - Real Estate Brokerage

Purpose

This bulletin applies to real estate licensees. It explains a licensee's obligations when a person elects to be a customer rather than a client.

Regulatory status: Information Bulletins provide guidance on how RECA interprets and applies existing legislative requirements. They do not create new legal requirements or amend the *Real Estate Act* or the *Real Estate Act* Rules.

Why this matters

The *Real Estate Act Rules* (Rules) define a customer as:

> "a person who has contacted, but not engaged or employed, a licensee to provide services."

A customer is a person who approaches a real estate licensee to seek information or assistance regarding their real estate needs. In the context of agency relationships, the term "customer" refers to the third party, the "outsider," in a particular agency relationship.

A person may want to be a customer for various reasons, including:

- they want to view a property through a brokerage or attend an open house;
- they haven't yet decided if they are serious about selling or buying property;
- they are unsure if they wish to hire a brokerage to represent them;
- they may have the experience or sophistication in real estate matters to represent themselves; or
- a licensee may have a conflict of interest and is only able to represent one party to a transaction.

In some cases, a brokerage may have a property listed and can represent only the seller. A brokerage may represent a new homebuilder, but the builder prohibits the brokerage from representing buyers on the builder's listings. In this case, the brokerage will treat all potential buyers as customers. Customers may seek representation from another brokerage.

What the Rules require

Informed consent. The nature of the business relationship is an important issue for licensees and consumers. It is the responsibility of licensees to ensure their role is always clear to customers and that there is no pressure to direct customers or third parties toward a particular type of relationship.

Real estate licensees should have a clear understanding of their obligations to clients and customers. While consumers should make an informed choice about the type of relationship they wish to have with a real estate licensee, they should also understand the implications of the options available to them.

Customer acknowledgment form. A licensee must present a customer acknowledgement form to the customer. While clarifying matters for consumers, the form also protects licensees. This form may help avoid representation disputes.

The customer acknowledgement requirements include the following:

- recognition that the customer has chosen to forgo any agency representation;
- that the licensee does not owe the customer any agency obligations, including fiduciary obligations; and
- that the customer understands the licensee will not give services that require discretion, the exercising of judgment, or the providing of confidential information.

Customer - mandatory obligation. Customers must understand whom the licensee represents. The licensee will not provide any services to the customer that require discretion, judgment, or confidential advice, nor will the licensee advocate on the customer's behalf.

A licensee does not owe any agency or fiduciary obligations to a person who does not engage the licensee's services and chooses to be a customer.

A licensee still has important obligations to a customer. Those obligations include acting honestly, ensuring that any information provided is accurate, always exercising due care and skill, and holding any monies received from the customer in trust in accordance with the legislation.

Customer - optional services. At their discretion, the licensee may provide a customer with certain services as outlined in the Rules. Examples of services a licensee may provide to a customer include the following:

- give real estate statistics and information on a property (including comparables);

- give and explain agreements of purchase and sale, lease, or other relevant documents, and prepare all necessary documents in accordance with the customer's instructions, but do not advise the customer;
- give the names of real estate service providers (but not recommend any provider);
- present, promptly, all offers and counter-offers to and from the customer;
- convey to the seller or buyer, promptly, all information that the customer wishes to communicate to the seller or buyer; and
- keep the customer informed regarding the progress of the transaction.

Related Information

Legislation	Relevant Sections
Real Estate Act Rules	ss. 1(1)(i), 60, 60.1, Schedule 1 (Forms 8 and 9)
Guides/Tools	Consumer Relationship Guide RECA Customer Status Forum(s)