

PROHIBITION – DO NOT DISCOURAGE LEGAL OR EXPERT ADVICE

Purpose: This bulletin explains that an industry professional must not discourage a client or anyone else from seeking legal or expert advice in connection with the business of an industry professional.

This bulletin applies to all real estate and mortgage broker professionals.

Do not discourage your client or anyone else to seek legal or expert advice

You must be sensitive to what your client wants. This is also true for anyone else involved in a real estate trade or mortgage transaction. If someone wants legal advice or expert opinion from an engineer, accountant, tax specialist, surveyor, appraiser, environmental assessor, or other professional, do not prevent or discourage them from seeking that advice.

How to advise your clients about experts

You may tell your client about the necessity, benefits, and costs of outside professionals, but be careful what you say, and follow these instructions:

- **only give accurate advice**, within your area of expertise
- **do not prevent or discourage someone from taking action** that makes them more comfortable or that is sensible for the transaction
- **do not discourage someone from seeking additional advice, even if you may potentially lose a deal.** Doing otherwise, you may be at risk for legal proceedings or a conduct review
- **encourage clients to use outside professionals when they have questions that you or another industry member cannot answer** (for example, questions on GST or tax on a purchase). However, you must not “steer” clients to specific experts. Instead, give clients a list of names and make it clear to them that they are free to choose any expert from the list or elsewhere
- **suggest that clients who are buyers use RECA’s *Property Inspection Request Form*, available on the website.** The form lists services available to buyers when they buy a residential property. Buyers may want more information about the property or to make sure the property is free of major defects. The form does not cover everything, but includes the most common reports or inspections that buyer’s request

Related information

Legislation

- *Real Estate Act* Rules - section 42(d)

Guides

- Property Inspection Request Form

INFORMATION
BULLETINS

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