

# Jump into Spring not into trouble

By Mark Spindloe - Exit Realty  
Metro, Nova Scotia



A friend told me that if you are not upset at how other people do business then you are not offering a good enough service. With that in mind when I became a Realtor® my decision was to base my business on a foundation of ethics and building on that, to give commitment of full disclosure to my clients. Notice I deliberately said clients as I only work with new people on a client basis, in order to give them peace of mind that their privacy and negotiating position would not be compromised when dealing with one of the most important and expensive transactions they will make. There are times when a customer relationship would be appropriate for me, such as, when negotiating on behalf of a business or someone experienced in real estate. For more on the distinction between the two see below. You need to know this.

When it comes to buying real estate in Canada there is a lot of misinformation and uninformed opinion to be found from forums, chat-rooms and websites. Whether you are considering a fact finding mission or will be landing in Nova Scotia I am passionate that you be made aware of the process. Which is why we offer to call you in UK for an Info-Chat and will try to answer as many questions as you may have. Realtors® are for the most part very professional and subject to regulations in the way they conduct their business. I know, I am one. My objective is to give you enough information so that you can make

informed choices whether you use my services or not. Read on.

Buying and selling real estate in Canada is very different to the English experience. Although you will work with a Realtor® you are actually contracted to a Brokerage who acts as your agent with you as the principle. The Realtor® is in most cases a self-employed individual under contract with a Brokerage and will be your day-to-day contact.

The two main ways that a Realtor® will work for you need to be carefully understood, as they can affect the representation you receive.

You can be dealt with as a customer. Which as it implies is how a transaction is completed when you shop in a store. The duties owed to you are limited to a duty of care and the expectation that you will be treated in an honest and accurate manner. From a real estate perspective you can expect that your Realtor® will act as a scribe in the preparation of documents. However the Brokerage is unable to provide any services that call for the use of

judgement or discretion. Furthermore the relationship entails no confidentiality or advocating on behalf of the customer.

Alternatively, you can choose to be treated as a client, in which case you receive all of the positive benefits listed above as well as what are known as fiduciary duties. This is where things tilt dramatically in your favour. The agent is bound to provide fiduciary duties to their client. These are.

★ Accountability. Responsible for the accurate accounting of any funds such as deposits.

★ Competence in the exercise of care and skill in performing the agents functions.

★ Confidentiality in all matters pertain to information obtained from the client.

★ Disclosure to the client of all conflicts in a timely manner and the avoidance of secret profits.

★ Obedience to follow all lawful instructions issue by the client in performance of the mandate.

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★ Loyalty to the client in negotiating the most favorable terms.

The first thing I do when I sit down with someone new is to tell them not to divulge to me any of their personal circumstance until they have engaged me as their Realtor®. The reason for this is because if they decide to become a customer or not use my services then in any transaction with one of my clients I am duty bound to disclose everything I know about them to my client while owing them no confidentiality concerning what they may have told me. This could leave them vulnerable and weak in any negotiation.

The next step is to explain the differences in representation as set out above and make sure that they fully understand and can make an informed choice. Every Realtor® is not only obliged to make this explanation to a seller or a buyer but is further obligated to ensure that they comprehend. If they don't it should be a red flag to you. My professional body the NSAR, Nova Scotia Association of Realtors® produces a leaflet entitled "Working with a Realtor®" which details Client, Customer and Transactional Brokerage definitions and includes a section where the person can acknowledge that an explanation has been made and they can indicate their preference. My brokerage insist that this forms part of any contract. By insisting on this they ensure I stay honest. I love my broker.

At this point I state that it is up to them to decide if they want me to work on their behalf, otherwise they are free to engage any other Realtor®. Let's face it I don't want to work with anyone who is not comfortable with me. However, should they decide to use another Realtor® then I feel confident that they will know precisely what that person should disclose and to be wary if it is not up front.

Assuming you are sensible and engage me exclusively as your Realtor® to protect your privacy and future negotiating position this is what you can expect. As your Realtor® I act as your representative so you will not have direct contact with the seller or their agent. I will arrange the viewings with the listing agent on the properties you select and



A picture says a thousand words

accompany you on the house viewing. It is normal for the house owner to be out during the viewing. Access is by means of a lock-box system that all Realtors® have shared access. When we start looking at houses it is a leisurely process, viewing lots of different houses in order to get a feel for the various styles and areas but when you decide to make an offer things will move very quickly and this is something I prepare my clients for. We will sit down together and I draw up the offer based on your instructions as to price, closing date and conditions and explain all legal implications and obligations. I will present your offer to the listing agent who consults with the owner. From there I will advise you on negotiations and reacting to counter offers. I will deliver the deposit cheque when an offer has been accepted and can make suggestions on choices of lawyers, house inspectors, appraisers, water testers, mortgage brokers, insurers, etc. needed to make sure we meet all conditions. You are however free to engage your own professionals. I accompany you on the house inspection and any water testing and can go through the report and discuss the results and suggest actions to be taken. As a result of legal advise and inspections it may be necessary to negotiate further concessions. I will promote your interests at all times. I ensure that all conditions are met by the stated dead-lines. On the

agreed closing day I will accompany you on the final inspection, the purpose of which is to ensure that everything is still in the same condition as previously. It is not an opportunity to look for new contentious items. When satisfied you go to visit your lawyer who takes you through the documentation and you transfer the balance owing in exchange for the house keys. At this point it is traditional for you to buy me a beer. Cheers.

On becoming licensed I partnered with a mentor. I chose Donna McNeil who has the same ethical outlook to business and is experienced in assisting new emigrants through the settlement process. When we sell on your behalf you get two for the price of one and when we represent you in buying a property you get two for free. (The vendor pays our commission) How's that for a deal! We find that our styles are complimentary and our aim is to make the process as stress free as possible and keep your spirits up.

We would be happy to contact you in the UK by phone to answer any questions regarding your visit to Nova Scotia. Remember we are 4 hours behind the UK you need to let us know a good time slot to call you back!  
Mark and June Spindloe  
www.relocationnovascotia.com  
email: mark@relocationnovascotia for any question regarding house purchases.