

# **Seller's Direction re: Property/Offers**

## **Important Information for Seller Acknowledgement**

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# Seller's Direction re: Property/Offers

## Important Information for Seller Acknowledgement

### Form 224

for use in the Province of Ontario

*General Use: This Form would be used to provide information, clarify the purpose of Form 244, Seller's Direction re: Property/Offers and to get written acknowledgements from a Seller with respect to a Listing Agreement involving the conveyance of Offers and other directions. This Form would be presented and completed prior to receiving those written instructions from a Seller on Form 244.*

*This Form initially describes the purpose of Form 244 and identifies the Seller, the Listing Brokerage and the Property.*

**This Form is provided to assist Brokerages and their Seller clients in clarifying and understanding the purpose and use of OREA Form 244, Seller's Direction re: Property/Offers and to generate specific written directions from Seller client to Brokerage for ensuring a fair and transparent negotiation and offer process.**

**SELLER(S):** .....

**BROKERAGE:** .....

**PROPERTY:** .....

*The first paragraph sets out that best practices dictate that instructions and directions from a Seller be in writing, avoiding potential confusion and misunderstanding of any parties.*

**Guidance on best practices suggests, all Seller client directions to their Listing Brokerage be in writing. This is to clearly set out Brokerage responsibilities on behalf of their Seller client in order to avoid error, misunderstanding or confusion of either party and for future reference for both the Seller and Brokerage throughout the duration of the Listing.**

*The following information states that the law requires Offers to be conveyed as soon as possible, unless there is a written direction otherwise. Form 244 can be used to fulfill the requirements for a client written direction that alters the timing of Offer conveyance. Form 244 can also be used to obtain other written instructions from a Seller.*

The law requires that when any written offer is received by a Brokerage it is to be conveyed to the Seller client at the earliest practicable opportunity, unless there is a written direction from that client to the contrary. The law also requires that any changes (amendments) to a client direction relating to offer conveyance be in writing.

OREA Form 244, Seller's Direction re: Property/Offers, is intended to be used to obtain Seller client written directions under a Listing Agreement respecting conveyance of offers and/or any other property or offer directions.

*It is imperative that the Seller understands exactly how their written instructions will affect different situations and how the Brokerage will manage those circumstances. Consequently, written instructions and directions should be detailed and explicit to ensure that there is no confusion or misunderstanding.*

When a Seller contemplates giving their Brokerage one or more written directions, it is vital the Seller know and understand how those directions will impact different situations. Further the Seller must be aware of how those situations are going to be managed by their Brokerage. Written directions should set out the explicit details of exactly how each situation affecting the Seller and their listed property will be handled. This will include spelling out agreed upon actions the Brokerage will take, timeline(s) to follow and communication(s) with others. If a direction given contemplates any exception to that direction, this too must be identified in explicit detail.

*The Brokerage must ensure that the Seller is completely aware of the implications of any of their written directions. A potential example is where the Seller has directed the Brokerage to delay the conveyance of Offers. It is then necessary to address, in detail, what will happen if a pre-emptive Offer arises.*

Prior to a Brokerage receiving any written direction from a client, it is imperative that they ensure the Seller client is informed and fully aware of possible resulting implications that direction may have on the Seller and the process of listing and selling their property. *One example of a potential issue that needs to be considered is the appearance of a preemptive offer where a client has chosen to direct a delay to conveyance of offers. A discussion should take place on how to address preemptive offers, should they arise.* This discussion should include an explanation of the positive and negative results of such a direction. This marketing strategy may cause a reaction from interested parties that was not intended or anticipated by the delayed offer procedures. Further, if a delayed offer Seller written direction includes consideration of preemptive offers (in whole or part) it will be necessary to have precise details in further Seller directions. This is required so that the Brokerage understands additional procedures or protocols to follow when necessary.

*If required by a Member's Board or Association, the Brokerage will notify them about any Seller client written direction, whether the direction be new or amended.*

The Listing Brokerage, if required, will notify the Real Estate Board(s)/Association(s), at the earliest opportunity (or within any required timeline set out by the relevant Board/Association), of instructions contained within a Seller written direction. This notification would include substance of any new or amended Seller written direction to the Brokerage.

*The Seller is required to initial on this Form acknowledging certain information. These acknowledgments confirm that the Brokerage and Seller have had a full discussion of the implications and implementation of any written directions or instructions. Further the Seller acknowledges understanding both the risks and benefits of any direction including delayed Offer conveyances and managing pre-emptive Offers. The Seller also acknowledges that the Brokerage has rules and regulations with which to comply respecting showings and conveyance of Offers.*

**The Seller acknowledges that it has been explained, and there has been opportunity for discussion with the Brokerage, respecting procedures and protocols relating to Seller direction(s) or potential exceptions that may arise. The Seller further acknowledges that this is in response to the Brokerage anticipating potential market and interested party reaction to Seller direction(s).**

(Seller's Initials)

**The Seller acknowledges having been explained and understanding the potential benefits and risks inherent in the giving of a Brokerage direction, such as, delayed offer conveyance or managing preemptive offer conveyance.**

(Seller's Initials)

**The Seller further acknowledges that the Listing Brokerage has professional obligations and responsibilities to other brokerages and further that the Listing Brokerage will be complying with rules and regulations with respect to the showing of properties, in addition to the conveyance of written offers.**

(Seller's Initials)

*The final portion of this Form sets out that directions are important to make certain communications between everyone are clear, resulting in a fair and transparent offer process. The Seller acknowledges having read and understood this Form and its contents.*

Seller written directions to their Brokerage are vital to ensure thorough communications particularly with all interested parties for a clear understanding of what is to be expected, resulting in a fair transparent offer process.

ADDITIONAL COMMENTS: .....

.....

**I acknowledge having read, understood and received a copy of this Seller's Direction re: Property/Offer Important Information for Seller Acknowledgement.**

.....  
(Signature of Seller)

.....  
(Date)

.....  
(Signature of Seller)

.....  
(Date)

