

Dear Tolga and the BCFSA Team,

The Association of Interior REALTORS® (AOIR) appreciates the opportunity to provide feedback on the ideas provided in the BC Financial Services Authority's (BCFSA) discussion paper, "Strengthening Confidence in Real Estate Services". As professionals who put consumer protection at the forefront of everything they do, our members always welcome the opportunity to provide input into proposed regulations and policies designed to enhance protection for their clients and the public at large. Early and consistent engagement with REALTORS® in our Association and across the province ensures better, evidence-based policy making for all.

In addition to the focus groups held by BCREA, our Association hosted a Town Hall on January 20th, 2026. The responses from our members are reflected directly in the feedback provided in this document.

The townhall undoubtedly provided us with extremely valuable and insightful feedback, but what struck me the most was our REALTORS® genuine dedication to working in the best interests of their clients (both BUYERS & SELLERS). As a non-REALTOR® myself, this was impressive to observe. In this document, you will also find that the expertise of our membership shines through. The unintended consequences they've highlighted and the suggestions they've made can only come as a result of lived professional experience. We urge you to take their feedback and any other feedback from across the real estate sector into consideration.

Thank you again. We look forward to a continued strong relationship built on trust and collaboration.

Sincerely,



Mohamed Ladak
CEO
Association of Interior REALTORS®

January 30, 2026

Tolga Yalkin, CEO
BC Financial Services Authority
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Vancouver, BC V6C 2T8
Sent via email: tolga.yalkin@bcfsa.ca

Re: Association of Interior REALTOR® Response to the Discussion Paper Entitled
“Strengthening Confidence in Real Estate Services”

In this document we've outlined our thoughts and responses to the changes proposed in the discussion paper entitled “Strengthening Confidence in Real Estate Service”. These responses reflect the general sentiments of our members collected through townhalls, targeted focus groups, and general inquires and discussions on the ideas presented in this paper. We hope that the suggestions in the document can aid you in developing balanced, evidence-based policies.

General

Throughout the feedback period our members expressed a number of overarching sentiments that can be applied to the suggestions in this discussion paper and industry regulations generally.

There is a strong sense that as of late, regulatory changes have consistently increased complexity in real estate transactions to a level that's incomprehensible to the average consumer. For the average person, that may transact a property only once or twice in their entire lifetime, more forms and regulations create confusion and decreases the understanding and trust that is necessary for consumers to feel protected and confident in transacting real estate. “Zooming Out” and viewing regulations from the layperson's perspective would be helpful exercise when considering new policy proposals now and into the future

In that same vein, our members feel that they are often shouldered with the responsibility of educating consumers on new complex regulations. More regulator-led education is necessary to provide clarity consumers and ensure trust in the real estate process.

Lastly, our members noted frequently that they feel accountability should be shared across the system rather than being focused on REALTORS®. Other regulated groups, such as strata managers, are part of the real estate process and effect consumer experience, yet the responsibility of additional regulation almost always falls squarely on our REALTOR®

members. This myopic focus on one industry creates an uneven and onerous burden on our agents.

Recommendations:

- Regulations should be accompanied by strong, regulator-led consumer education.
- Consider the effect of increasingly complex regulation on the average consumer.
Apply this lens to new regulatory and policy proposals.
- Consider whether regulation is proportional and shares accountability across the entire real estate system.

Transparency in Services and Fees

Requiring Written Buyer Service Agreements

AOIR support increasing transparency in service and fees. However, we do not agree with mandating written buyer service agreements. When used at the appropriate stage in the agent-client relationship, written buyer service agreements are a powerful tool for risk management and transparency. Mandating their use undermines this benefit and risks damaging the client relationship and trust-building process. First-time buyers and new clients do not appreciate being presented with paperwork at the outset of the relationship, instead it can create a sense of distrust rather than the intended transparency.

If BCFSA proceeds with this policy, clear termination clauses, along with consideration for timeframes and end dates that allow consumers to shop around for agents, must be included.

BCFSA should also lead public education efforts and develop educational materials for both consumers and REALTORS® to avoid confusion similar to the previous DORT rollout.

Recommendations:

- Do not implement mandatory buyer service agreements.
- If buyer service agreements are implemented ensure that these agreements include clear terminations clauses with defined timelines.
- If buyer service agreements are implemented ensure BCFSA conducts sufficient public education on the form and its intent.

Transparency in Risks

Mandatory Buyer Disclosure of Unconditional Offers

AOIR supports buyer disclosure of the risks associated with unconditional offers. Our membership believes that buyers must understand the risks of unconditional offers, noting that buyer complaints often stem from an inadequate understanding of risk. It is also important to note that the prevalence of unconditional offers in the 2021-2022 hot market was an anomaly and now accounts for only 8% of total transactions in the province.

As existing disclosure forms and acknowledgment already exist to address this risk, rather than mandating a new form that may duplicate existing practices and add unnecessary complexity, any additional disclosure requirement should be integrated into existing commonly used documents.

Optional, Semi-Customizable Conditions in the Contract of Purchase and Sale

AOIR supports the inclusion of optional and customizable conditions in the contract of purchase and sale, as clauses can be tailored to fit the needs of consumers and the REALTOR®, however, we oppose them being mandatory. We recommend incorporating any new disclosures or conditions into existing documents to minimize administrative burden and consumer confusion.

Recommendations:

- Implement mandatory buyer disclosure of unconditional offers.
- Allow for optional, semi-customizable conditions in the contract of purchase and sale, but do not make them mandatory.
- Put any new disclosure requirements into already existing forms to cut down on administrative burden.

Transparency in Product

Requiring Strata Documents Prior to Listing

AOIR does not support mandating strata documents prior to listing. With an estimated 1.5 million people living in strata housing across BC, REALTORS® and their clients need access to accurate, inexpensive, and timely strata documents. Unfortunately, high costs, long wait times, unregulated rush fees, and incomplete document packages are the norm, impairing the ability of REALTORS® to provide the best possible services to their clients. As an association, we have had a similar bylaw paused for over three years, instead opting for proof of ordering strata documents at the time of listing. Our membership believes that transparency in strata transactions is increasingly important, however this policy, without prior changes to the *Strata Property Act* would be untenable.

We recommend that BCFSA pause implementation of the strata recommendations until a comprehensive review of the *Strata Property Act* is undertaken by the BC government. If this policy is pursued, it is important to ensure that the onus and liability are not solely on the licensee to obtain strata documents, as they are often significantly delayed or arrive incomplete with essential documents

Requiring Updates on Strata Council Decisions After an Enforceable Contract is Entered

AOIR supports accurate information surrounding strata properties, but our membership has noted several practical limitations with the policy. Licensees lack access to real-time strata information and do not always know whether new meetings have occurred. Annual General Meetings, meeting minutes, and key decisions documents are frequently delayed. High document costs, long wait times, unregulated rush fees, and incomplete document packages have become the operating norm.

We recommend that BCFSA pause implementation of the strata recommendations until a comprehensive review of the *Strata Property Act* is undertaken by the BC government.

Recommendations:

- Do not require mandatory strata documents prior to listing until a full review of the *Strata Property Act* has been conducted.
- Do not require updates on strata council decisions after an enforceable contract is entered unless a system is implemented that allows real estate licensees real time updates at no cost.

Transparency in Competition

Enhanced Disclosure in Bidding Wars

AOIR does not support the changes to provide enhanced disclosure in bidding wars. While the proposed policies may seem like a benefit to consumers, in reality publicizing multiples offers has the adverse effect driving up prices in the real estate market as potential buyers will continue to consistently outbid each other to the maximum level their budget allows. This increases housing costs in market conditions that are already considerably expensive for many potential homebuyers.

Providing the highest active offer from the last round of offers to a potential buyer provides an advantage to buyers with more financial means and disadvantages buyers with lesser means (e.g. First-time buyers, etc.). While imperfect, blind bidding is the fairest means of purchasing a property. This is why this form of bidding is often the preferred method of auction for courts and charities who above else look to provide fairness in the bidding process.

Our members have also highlighted that this approach is hyper focused on price. Offers often encompass a number of factors such as terms, conditions, certainty, etc. and this approach disregards those factors by concentrating to intently on price as a sole factor.

Post-Transaction Reporting of Multiple Offers

In terms of post-transaction reporting on multiple offers, we question the need for these regulations. Boards and Associations already have regulations and bylaws regarding multiple offers; additional regulation is superfluous and bound to create unnecessary bureaucracy and confusion.

Recommendation:

- Do not pursue enhanced disclosure in bidding wars or post-transaction reporting in multiple offers.

Fairness

Prohibiting Double Ending

As it exists Double-Ending is an uncommon practice in real estate transactions. Where it does it occur, it is negotiated and occurs because working with an unrepresented buyer requires significant work from the REALTOR® involved in the transaction. It is also important to be clear that double ending refers to a commission structure not an agency relationship. Thus, eliminating double-ending does not increase consumer protection or remove an inherent conflict (which despite public sentiment does not exist). Rather it eliminates compensation for work performed by a REALTOR® and incentivizes unrepresented buyers.

Prohibiting Agents from Claiming Commissions When They are a Principal in the Transaction

Our members have expressed opposition from prohibiting agents claiming commissions when they are a principal in a transaction. Put simply, this is unfair. When a REALTOR® acts as a principal in a transaction they still need to perform the gamut of real estate services, assume increased risk, and remain subject to fees, dues, and insurance. Denying an agent any pecuniary benefit for conducting these tasks is discriminatory and discredits the amount of work and risk agents take on when transacting a property in which they are principal. It should also be noted that the number of alternate payment structures (such as seller reducing an offer price by the REALTORS® commission for example) would make this very difficult to enforce.

Allowing Agents to Base their Payments on the Difference Between List and Sold Price

New commission structures such as this one are prone to create misaligned incentives and are likely to create more combative situations between agents. The potential disadvantages to sellers and potential to create dishonest practices such as undervaluing properties is high.

Recommendations:

- Do not prohibit double ending.
- Do not prohibit agents from claiming commissions when they are a principal in the transaction.
- At this time, do not allow agents to base their payments on the difference between list and sold prices.

Professionalism

Restricting Modification of Duties

AOIR does not feel that restricting REALTORS® for modifying their fiduciary duties is the right way forward. It should be noted that the modification of fiduciary duties was brought in after a direction by the federal competition bureau. Eliminating the modification of fiduciary duties would essentially eliminate activities like mere posting which could be in contravention of the *Competition Act*. Further to that restricting fiduciary duties severely restricts consumer choice without providing an equal or greater benefit. BCFSA should consider the issue it would be trying to rectify with his potential change and why it would justify eliminating consumer choice.

Recommendation:

- Do not restrict the ability of licenses to modify their fiduciary duties.
- Further consider the ramifications of such a change to consumer choice and competition law.

Thank you for all that you do and taking our concerns into consideration. If you have any further questions or queries regarding this important topic, please feel free to reach out to Seth Scott the Director of Government Relations and Communications at seths@interiorrealtors.com.

Best Regards,



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