RECO

The Real Estate Council of Ontario (RECO) is the regulatory body that oversees real estate professionals in Ontario. Established under the Trust in Real Estate Services Act, 2002 (TRESA), RECO’s mandate is to protect the public interest and ensure that real estate professionals operate with honesty, integrity, and competence.

- Trust in Real Estate Services Act
- RECO Code of Ethics
- Advertising Guidelines
- Handling Complaints & Investigations
    - Responding to a Complaint (RECO, Public, or Internal)
    - Submitting a Complaint to RECO
- RECO Registration and Renewal
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Trust in Real Estate Services Act

Introduction to the Trust in Real Estate Services Act (TRESA)

The **Trust in Real Estate Services Act, 2002 (TRESA)** is the legislation that governs how real estate professionals in Ontario operate. It replaced the former **Real Estate and Business Brokers Act (REBBA)** with the goal of strengthening consumer protection, enhancing transparency, and elevating professional standards in the real estate industry.

TRESA sets out the rules for:

- **Licensing and registration** of real estate brokerages, brokers, and salespersons
- **Code of Ethics** and conduct expectations
- **Disclosure obligations** to clients and consumers
- **Advertising guidelines**
- **Compliance and enforcement** powers held by the Real Estate Council of Ontario (RECO)

At its core, TRESA aims to build **public trust** in real estate services by ensuring clients receive fair, ethical, and professional representation. As of the most recent updates (including those effective December 1, 2023), TRESA also introduces greater flexibility for brokerages, including **designated representation**, an **open offer process**, and a clearer distinction between **clients** and **self-represented parties**.

Link to TRESA

RECO Code of Ethics

Overview of Ethical Obligations

The **RECO Code of Ethics** outlines the professional standards that all registrants in Ontario must follow. It is not just about following the law — it's about acting with **honesty, integrity, fairness, and accountability** in every transaction. These ethical standards form the foundation of public trust in real estate professionals and are enforceable by the Real Estate Council of Ontario.

Duty to Clients vs Duty to the Public

As a real estate professional, you have a **dual responsibility**:

- **To your clients:**
  - Promote and protect their best interests
  - Provide competent, conscientious service
  - Maintain confidentiality
  - Disclose all relevant facts and options
- **To the public (including other agents and consumers):**
  - Treat everyone with fairness, honesty, and integrity
  - Avoid misleading information, misrepresentation, or discriminatory practices
  - Do not engage in conduct unbecoming of a professional

You are expected to **balance these duties** without compromising either.

Avoiding Conflicts of Interest

A conflict of interest arises when your ability to act impartially for a client is compromised by personal or financial interests. Examples include:

- Representing both buyer and seller in the same transaction without written consent
- Referring services where you have an undisclosed financial stake
- Competing with your own client on a property

Key rule: Always disclose the potential conflict in writing **before** continuing with the transaction. Then get written consent from all parties involved.

Disclosure Requirements

You must be transparent in all dealings by disclosing:

- **Material facts:**
  Anything that could reasonably affect a person's decision to buy or sell (e.g., water damage, zoning issues, stigmas if known)
- **Representation relationships:**
  Make it clear **who you represent** in any interaction. Use **Working with a REALTOR®** forms to confirm understanding.
- **Multiple representation:**
  If your brokerage represents both buyer and seller, all parties must be fully informed and provide written consent (Form 320).

Here is the complete RECO Code of Ethics:

RECO Code of Ethics

Advertising Guidelines

RECO from time to time puts out bulletins to help understand their guidelines. Here is a summery document of their bulletins. RECO_Advertising_Bulletins_Combined.pdf

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Advertising includes any public promotion in any medium, including but not limited to: print, radio, television, internet, social media, business cards, signs, email signatures, and videos, intended to market a registrant, their services, or listed properties.

Brokerage Identification

- The full registered name "Century 21 Heritage Group Ltd." must appear **clearly and prominently** on all advertisements.
- The term "brokerage" or "real estate brokerage" must accompany the brokerage name.
- Team names may only be used with prior written approval from management and must not appear more prominently than the brokerage name.

Agent Identification

- Agents must use their **full legal name** as registered with RECO. Nicknames or abbreviations are not permitted.
- A permitted descriptor (e.g., Salesperson, Broker, REALTOR®) must accompany the agent's name.
- Team members must be individually identified in team advertising where appropriate.

FOR SALESPERSON (Must be registered with RECO as a salesperson)

- Salesperson
- Real estate salesperson
- Sales representative
- Real estate agent
- Real estate sales representative
- REALTOR® *(only if a CREA member in good standing)*
- REALTOR® salesperson *(only if a CREA member in good standing)*
- French equivalents of the above terms

FOR BROKERS (Must be registered with RECO as a broker, but not the broker of record)

- Broker
- Real estate agent

- Broker real estate agent
- Real estate broker
- REALTOR® *(only if a CREA member in good standing)*
- REALTOR® broker *(only if a CREA member in good standing)*
- French equivalents of the above terms

Permitted Terms

- Agents must use only permitted terms as outlined in RECO Bulletin 5.2.
- "REALTOR®" may only be used by members of the Canadian Real Estate Association (CREA).

Social Media & Online Advertising

- All digital and social media advertising must comply with the same standards as traditional media.
- The brokerage name must be clearly visible on all platforms (e.g., profiles, banners, posts).
- Any reposting or use of third-party content (e.g., MLS® listings, photos, videos) requires **written consent** and appropriate credit.
- Consent is required before tagging or featuring individuals, properties, or reviews.

Accuracy and Verifiability

- All claims (e.g., "Top Agent," "#1 Team") must be factually accurate and verifiable.
- Volume, awards, and sales performance claims must cite source, date, and measurement method.
- Comparative statements (e.g., "Best Value") must include context and substantiation.

Testimonials and Reviews

- May only be used with **written consent** from the individual.
- Must not be misleading, altered, or fabricated.
- Sourced testimonials (Google, RateMyAgent) must include full context.

Advertising Sold Properties

- Requires **written consent** from the relevant parties (seller, buyer) before referencing:
  - Property details
  - Sale price
  - Images of property
  - Parties involved in the transaction
- Consent must include effective and expiry dates.

Compliance Review

- All advertising must be pre-approved by the Broker of Record or designated manager.
- Agents may request compliance reviews before launching major campaigns.
- Ads may not imply RECO approval.

Complaint Process

- Any agent who believes a competitor's ad is non-compliant should first attempt to resolve the issue directly or through their manager.
- Complaints must be submitted by the Broker of Record or designated brokerage manager using RECO's Advertising Complaint Form.
- Please see the section of the playbook that has the procedure for receiving a complaint and filing a complaint.

Discipline for Non-Compliance: Violations of this policy may result in disciplinary action, including but not limited to: removal of advertising, internal sanctions, mandatory retraining, or escalation to RECO.

Handling Complaints & Investigations

Every real estate professional must be prepared to both respond to and address complaints—whether from clients, the public, or RECO itself. This section provides a structured approach for managing complaints professionally, ensuring timely responses, and protecting both the agent and the brokerage.

Responding to a Complaint (RECO, Public, or Internal)

Applies To: Sales Representatives, Brokers, Broker of Record, and Managers

Purpose: To ensure that complaints received are addressed professionally, promptly, and in accordance with Century 21 Heritage Group Ltd. policy and RECO's expectations.

Step 1: Initial Receipt of Complaint

Complaints may come from:

- **RECO**
- **A client or member of the public**
- **Another agent or brokerage**
- **Internal staff or management**

All complaints, regardless of source or tone, must be taken **seriously and without defensiveness**.

Step 2: Notify Management

Immediately forward any complaint to your Manager.

Include:

- The full text of the complaint (email, form, or verbal summary)
- Time and date received
- Any attachments or evidence provided

Do not respond independently. Wait for direction from the designated manager or Broker of Record.

Step 3: Review and Triage

The Broker of Record or designated manager will:

- Assess the complaint for validity and severity
- Determine whether it relates to:
    - Advertising
    - Ethics or professionalism
    - Contractual concerns
    - Regulatory breaches

If the complaint was submitted to **RECO**, follow RECO's response protocol and timelines carefully.

Step 4: Collect Facts & Evidence

The agent(s) involved must:

- Provide a written response (factual and professional)
- Submit relevant documentation (e.g., communications, contracts, ads, logs)
- Disclose any previous related issues or conflicts

Do not delete or alter any communications, advertisements, or online material under review.

Step 5: Response Preparation

The Broker of Record or manager will:

- Draft or review the official response to the complainant or RECO
- Determine if corrective action is needed (e.g., revised ad, apology, compliance training)
- Communicate next steps clearly to the involved agent(s)

Step 6: Corrective Action (If Applicable)

If the complaint reveals a breach or oversight:

- Take immediate corrective action (e.g., remove or amend advertisement)
- Document the change and provide proof to management or RECO
- Complete any retraining or policy review assigned

Step 7: Close and Document the File

Once the complaint is resolved:

- The file is logged in the **Compliance Tracker**
- Any resulting RECO communication is saved

- Agent performance files are updated if applicable

Internal complaints are followed up to ensure the matter is resolved, and trust is rebuilt.

Important Reminders:

- All complaints must be approached **professionally and respectfully**
- Do not speculate, retaliate, or attempt to resolve it publicly
- **Transparency and documentation** protect both the agent and the brokerage
- Silence or delay can escalate the matter — always respond promptly through the correct channels

Submitting a Complaint to RECO

Applies To: Sales Representatives, Brokers, Broker of Record, and Managers

Purpose: To ensure that complaints submitted to the Real Estate Council of Ontario (RECO) are handled professionally, internally reviewed, and submitted properly per RECO's regulations.

Step 1: Identify the Issue

The agent must first identify the nature of the complaint:

- Misleading or non-compliant advertising
- Unethical behaviour or professional misconduct
- Breach of TRESA, RECO Code of Ethics, or REBBA guidelines
- Unauthorized representation, false claims, or improper disclosures

The issue must be **documented and evidence-based**.

Step 2: Attempt Internal Resolution

Before involving RECO, agents must make **reasonable efforts** to resolve the matter internally:

- Inform your **Office Manager** or **Broker of Record**
- Attempt professional dialogue with the other agent or their manager (where appropriate)
- Keep written records of all communications and attempted resolutions

Note: RECO requires that brokers or managers attempt resolution before a formal complaint is filed.

Step 3: Escalate to Management

If resolution is not achieved, submit the concern to your Manager

Include:

- A written summary of the issue
- All related evidence (screenshots, ad copies, emails, etc.)
- Documentation of attempted resolution (if any)

The **Broker of Record** or **Designated Manager** will review and determine if it meets the threshold for RECO involvement.

Step 4: Formal Complaint Submission to RECO

Only the **Broker of Record** or **Brokerage Manager** may file the complaint with RECO.

Required Documentation:

- Completed **RECO Advertising Complaint Form** or General Complaint Form

- Supporting evidence
- Proof of attempted internal resolution
- Identification of all involved parties (anonymous complaints are not accepted)

Submit to RECO via:

- Email: registration@reco.on.ca
- Online: www.reco.on.ca (Complaint Portal)

Step 5: Follow-Up

The Broker of Record will monitor and follow up on the complaint as needed.

Agents involved will be updated on:

- Whether the complaint was accepted
- RECO’s request for additional information (if applicable)
- Any outcomes or feedback

Important Reminders:

- **Do not file frivolous or retaliatory complaints**—RECO may view this as abuse of process.
- All complaints must be based on **fact and regulation**, not personal disputes.
- RECO decisions are **independent and final**—Century 21 Heritage Group has no control over the outcome.

RECO Registration and Renewal

Every agent and broker in Ontario must be registered with the Real Estate Council of Ontario (RECO) to legally trade in real estate. This section outlines the complete process for both initial registration and bi-annual renewal, ensuring that agents remain compliant under TRESA.

RECO Registration – New & Renewing Agents

Applies To: New Sales Representatives, Brokers, and All Renewing Registrants

Purpose: To ensure timely, accurate, and compliant registration or renewal with the **Real Estate Council of Ontario (RECO)** under the guidelines of **TRESA** and Century 21 Heritage Group Ltd.

Step 1: Initial Eligibility

Before applying, the applicant must:

- Be 18 years of age or older
- Have a valid Canadian address
- Have completed **RECO's required education program** through Humber College (Pre-Registration Phase for new agents)
- Be legally entitled to work in Canada
- Be associated with **Century 21 Heritage Group Ltd.**, who will sponsor the registration

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Step 2: New Registration Process

1. Set up a MyRECO account:

Go to myRECO Certificate Portal and create an account.

2. Submit Application:

Complete the **Application for Registration** form online.

You will need:

- Certificate of Completion from Humber College
- Government-issued ID
- Completed criminal record check (must be recent)
- Signed **Sponsorship Form** from Century 21 Heritage Group Ltd.
- Payment for RECO registration fee

3. Wait for RECO Approval:

Once approved, RECO will issue your registration certificate and license number.

4. Notify your Office Manager:

Submit a copy of your RECO Certificate to compliance@century21.ca and ensure your marketing materials (email, signage, business cards) are updated only after RECO approval.

Step 3: Renewal of RECO Registration (Every 2 Years)

RECO will notify you 60 days prior to expiry.

Steps to Renew:

1. Log into your **MyRECO account**
2. Complete the **Mandatory Continuing Education (MCE)** modules (available online)
3. Review and update your personal and brokerage information
4. Pay the renewal fee online
5. Download and save your new RECO Certificate

Important: You must not trade in real estate if your registration has lapsed.

Step 4: Status Change (Transfer, Terminate, Reinstate)

To transfer to or from Century 21 Heritage Group Ltd.:

- Notify your **Office Manager** and submit necessary RECO forms
- Wait for RECO confirmation before practicing under the new brokerage

To terminate your registration:

- Notify RECO and your brokerage in writing
- Return all branding, marketing materials, and client files as directed

To reinstate a lapsed license:

- Contact RECO within 2 years of expiry

- Complete any required courses or fees before returning to active status

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Step 5: Brokerage Responsibility

Century 21 Heritage Group Ltd. will:

- Submit sponsorship confirmation to RECO
- Track upcoming renewals and notify agents of deadlines
- Maintain up-to-date records for compliance purposes

Important Reminders:

- Keep your **contact information** updated in RECO’s portal
- Always **renew before the expiry date**
- Without an active RECO registration, **you cannot trade, advertise, or represent clients**

RECO Registration Renewal Process

Applies To: All Sales Representatives and Brokers with active RECO registration

Purpose: To ensure all agents renew their RECO registration on time to avoid suspension, fines, or termination from their real estate board (TRREB or otherwise).

Step 1: Know Your Expiry Date

- RECO registration must be **renewed every 2 years**
- Your **expiry date** is listed on your RECO certificate and visible in your MyRECO Certificate Portal

Century 21 Heritage Group Ltd. recommends that you renew at least 7 days before your expiry date.

RECO has been known to delay processing late or last-minute submissions.

Step 2: Watch for the Reminder

- RECO sends a renewal reminder **60 days prior to expiry**
- An internal reminder from the brokerage will also be sent

Step 3: Complete Mandatory Continuing Education (MCE)

Before you can renew, you must complete your **MCE program**, available through your MyRECO account.

- If you don’t complete the required MCE modules, you cannot submit your renewal.

Step 4: Submit Your Renewal

Login to myRECO and:

1. Confirm/update your contact info
2. Upload any required documents
3. Complete your MCE if not already done
4. Pay the renewal fee by credit card

RENEW AT LEAST 7 DAYS IN ADVANCE.

Do **not** wait until the day before expiry — RECO may not process it in time, even if submitted.

Step 5: Notify the Office

Once renewed, email your new RECO Certificate to your front desk.

Your file will be updated and your board status confirmed.

If You Miss the Deadline

If your RECO registration expires:

1. **You must IMMEDIATELY cease all trading activities.**
    - This includes marketing, showings, negotiations, or representing clients in any form.
2. **You MUST terminate from your real estate board (e.g., TRREB) within 24 hours** of expiry.
    - If this is not done, the board will issue **fines** for unauthorized membership.
3. You will also be removed from:
    - Brokerage email and internal platforms
    - Board MLS® access
    - Office signage and marketing materials
4. You may request reinstatement only **after RECO confirms renewal**, and you have rejoined your board.

Reinstatement (After Expiry)

If you miss the renewal window, RECO may allow reinstatement:

- You have **up to 2 years** to reinstate without redoing your education, but must pay applicable late fees
- The brokerage may require additional retraining or compliance sign-off before reactivation