

Advertising requirements

This bulletin was developed to help agents and brokerages comply with the advertising requirements under the legislation and to avoid prohibited advertising content.

What is advertising?

Advertising can take countless forms and appear in many different mediums.

"Advertising" includes any notice, announcement or representation directed at the public that is authorized, made by or on behalf of a brokerage or agent and that is intended to promote a brokerage or agent or the business, services, or real estate trades of a brokerage or agent in any medium including, but not limited to, print, radio, television, electronic media, or publication on the internet (including websites and social media sites). Business cards, letterhead, email signatures, or cover sheets that contain promotional statements may be considered as "advertising."

Advertising: getting it right

Tell the public who you are

All advertising **must** include the name of the brokerage. This applies to all advertising by brokerages and agents, including agents working in teams. Agents are prohibited from advertising in any manner unless the brokerage is clearly and prominently identified. Questions to consider when reviewing advertising:

- Is the name of the brokerage clearly and prominently identified?
- Is the name of the brokerage the same as the one registered with RECO?
- Does the descriptor "brokerage" or "real estate brokerage" appear with the brokerage name?

When an advertisement refers to one or more agents, in addition to the brokerage, consider the following questions:

- Is the agent's name clearly and prominently identified?
- Is the name used, the same name registered with RECO? Short forms and nicknames must not be used in advertising.
- Does it use the appropriate *permitted term*? The legislation permits a variety of terms to be used. Examples of terms permitted to be used to describe an individual include real estate agent, salesperson, or broker. Refer to Bulletin No. 5.2 for more information about *permitted terms*.

Bulletin No. 5.1

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RECO Bulletins are a series of publications developed to provide helpful information to brokerages and real estate agents about their duties and obligations under the *Trust in Real Estate Services Act, 2002,* (TRESA) and its regulations. Bulletins may be updated as required. Please check the RECO website to ensure you are referencing the most current version.

RECO Bulletins are for convenience only, they do not constitute legal advice. For complete details consult the <u>legislation</u>.

For more information, contact:

registration@reco.on.ca

www.reco.on.ca P: 416-207-4800

TF: 1-800-245-6910 F: 416-207-4820 In larger advertisements where multiple agents are identified, there may be a desire to eliminate the repetition of terms such as "salesperson" and "broker" throughout the advertisement. Agents are permitted to use a clear and visible symbol (such as an asterisk) to denote a description throughout the page.

The symbol and associated reference must be clearly visible in the medium in question. In multiple-page advertisements, or on multi-page websites, both the symbol and accompanying designation reference must appear on every page that refers to agents.

Provide clear and accurate information

Check to ensure all text is clearly legible to the intended audience. For example, is the name of the employing brokerage obvious to a buyer or seller? If links to additional information are provided, are they easy to locate and is it clear that they need to read more?

Are all statements factually correct, accurate, and verifiable? You must say what you mean and mean what you say.

An inaccurate representation is characterized by its lack of precision. Making a statement that is true but vague or incomplete in situations where clarity is necessary would be considered inaccurate.

Comparative claims: If a comparative claim is made, is the comparative claim truthful and supported by verifiable facts? Has the basis of the claim or other information been included to avoid being considered inaccurate? Could the claim be misunderstood by the audience?

Volume/activity: If a statement regarding business volume or trading activity is made, have details been included to explain how the volume or activity was measured or calculated? Is there a risk that the statement might be misunderstood by the audience?

Honours/awards: If an honour or award is mentioned, have all essential details such as the source, date, and relevant information been provided to prevent any misunderstanding or inaccuracies? In the case of a team award, is it clearly stated that it is a team achievement, and is the size of the team specified?

Promises/offers: If a promise or offer is made, have any conditions or limitations related to the promise or offer been clearly stated? If the conditions or limitations are not spelled out, is information provided on where to find the complete details of the conditions or limitations?

What to avoid

Confusing terms

Don't use words or terms to describe a brokerage or agent that are not permitted to be used in advertising or might be confusing or misleading.

Identification of a party to a transaction

Advertisements must not include anything (such as an image or text) that could reasonably be used to identify any party to a real estate transaction unless the party consents.

Identification of a specific property

Advertisements must not include anything (such as an image or text) that could reasonably be used to identify a specific property unless the owner of the property consents.

Contents of agreements

Advertisements must not include anything that could reasonably be used to determine any of the contents of an agreement (such as price) related to a real estate transaction, unless all the parties to the agreement consent.

False, misleading, or deceptive statements

False statements are those that can be shown to be factually incorrect. Generally, there is little room for interpretation in these situations. The assessment of statements that may be misleading, deceptive, or inaccurate, however, is more subjective in nature.

A misleading statement is one that causes someone to have a wrong idea or impression. It does not require that all readers of the statement be misled in order for the statement or claim to be considered misleading.

Similarly, a deceptive statement is one that causes something to be easily mistaken for something else or causes the reader to believe something that is not true. It is a statement that is purposefully misleading.

Related information

Bulletin No. 5.2 Permitted terms

Bulletin No. 5.3 Advertising online

Bulletin No. 5.4 Advertising sold properties

Bulletin No. 5.5 Advertising compliance review

Bulletin No. 5.6 Advertising complaints from brokerages