



Real Estate Talk: The OACIQ

Description

What the Organisme d'autoréglementation du courtage immobilier du Quebec is and what it can do for you

By **Joseph Marovitch**

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During the pandemic, negotiation appeared to be thrown aside. Due to very high demand and very low inventory, multiple offers abounded and instead of negotiating prices and conditions, purchasing became a bidding process. Homes were sold to the highest bidder and, in many cases, sight unseen or without inspection.

Marketing was not necessary since there were 15 buyers for every house immediately upon listing. Selling brokers were running after property like it was a football game and listing brokers felt great since their listing sold in hours instead of months. In the process, some brokers lost their skill to negotiate or realize the implications of purchasing property without inspection or basically crossing the "Ts" and dotting the "Is."

Most brokers are ethical, lawful and knowledgeable. However, like in everything else in the world, there is human error, fraud, negligence, criminal negligence, and the list goes on.

Whether by an honest mistake or oversight or by wilful dishonesty, these can be costly issues for both buyers and sellers, therefore, we have the **Organisme d'autoréglementation du courtage immobilier du Quebec (OACIQ)** to oversee broker activity and to protect the public.

The following are examples of what can be costly mistakes:

1. You sold your home without warranty, or so you thought. You inherited the house from your aunt, who passed away. Your aunt lived in the house for sixty years, and she was 92 when she passed. So, you inherit the house and decide to sell it. However, you don't know what condition the house is in and you don't believe



your 92-year-old aunt kept it up to date.

You rightfully decide to sell the house **without warranty**. The broker states in the listing that the house is being sold without legal warranty. You receive an offer you are willing to accept. Signing takes place and the house is sold.

A month later, the buyer calls you to say there is a crack in the fireplace lining, which allows smoke to enter the house and they want you to repair the problem or compensate the buyer so they can repair the problem. You say, "Hold on a second. I sold the house without warranty. It is not my problem".

Guess again! The deed of sale does not indicate the house is sold without warranty because the notary was not made aware to place such a clause. The notary was not aware because **the broker did not ensure that the "Sold Without Legal Warranty" clause was indicated** in the promise to purchase, counter offer or any of the amendments which he/she should have done so.

2. You're selling your house and the broker tells a prospective buyer that his client already purchased another home and must move in soon. With this information, the buyer comes with a lowball offer, knowing the seller is under pressure. **The broker must keep all information received from his client confidential.**

In the previous two cases, the seller lost money through no fault of their own but rather due to the negligence of their broker.

There are hundreds of real estate agencies and there are thousands of real estate brokers. Most, we assume, are ethical, lawful and knowledgeable and will do everything in their power to serve and protect your interest. However, like everything else in the world, there is human error, fraud, negligence, criminal negligence, and the list goes on.

When you have a problem with a broker and you feel you were not treated properly or your best interest was not their best interest and, therefore, you lost money or a sale or purchase, there is an organization you can call that will help.

The OACIQ (Organisme d'autoréglementation du courtage immobilier du Québec) is the organization mandated by the Quebec Government to regulate and enforce the Real Estate Brokerage Act. In effect, the OACIQ oversees the actions of all real estate brokers to protect the public.

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Six steps of the OACIQ assist and assure your protection:

Info OACIQ

This is your first point of contact before, during, or after an issue has taken place. Info OACIQ will direct you to the appropriate department, depending on the issue.

The office is open Monday, Tuesday, Thursday and Friday from 9 am to 4 pm.

On Wednesdays, the office is open from 10 am to 4 pm.

They may be reached at info@oaciq.com or 450 462-9800 / 1-800-440-7170

Assistance Department (AD)



The Assistance Department allows you to report any problem involving a real estate broker. The AD may settle the dispute or call upon other resources depending on the severity of the issue.

Syndic

The Syndic investigates violations of the real estate brokerage act by brokers or agencies. If there is evidence of an ethical violation, the Syndic will file a complaint with the Discipline Committee.

Discipline Committee

Upon investigation, the Discipline Committee has the authority to implement penalties such as fines, insist that the broker takes specific courses, or remove the broker's licence.

Real Estate Indemnity Fund (FICI)

The FICI provides financial compensation to consumers who are victims of fraud, dishonest behaviour or misappropriation of funds.

FARCIQ

The FARCIQ provides financial compensation to consumers who are victims of unintentional fault, error, negligence or omission

When considering a broker, it is a good idea to check the broker's record to see if they have ever been disciplined by the OACIQ. Go to oaciq.com/en and click at the top of the page on the link "Check a Broker's Record".

Should you desire further information on the OACIQ, go to oaciq.com

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Should you have questions or comments, please refer to the comments section at the bottom of the page. As well, to view past articles, [click here](#).

Next article: **Pros and Cons of Selling During the Holidays**

State of the market

CPI today (inflation rate) 6.9%

Prime rate 5.95%

On October 26, the bank of Canada increased the prime lending rate by 50 basis points in an aggressive aim to reduce the inflation rate. The effect of these hikes is further strangling the real estate market and bringing the economy closer to a recession. The goal is to bring down the inflation rate and not cause a recession. It is a fine line the Bank of Canada is trying to manipulate. It has been a bumpy ride and will continue for a while longer.

'If a buyer has capital, residential prices are falling, and there is opportunity in the residential and multi-residential markets.'

Once again, cash is king. If a buyer has capital, residential prices are falling, and there is opportunity in the residential and multi-residential markets. That is if the buyer can also cover the carrying cost of taxes, heat,



electricity, renovation, supplies and other expenses, which are affected by the inflation rate.

Have a great week!

Let's not forget that people with cancer are vulnerable too!

You are invited to keep giving to the following organizations since **it's now more important than ever to support cancer research!** Click on the logos below to find out how:



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Joseph Marovitch has worked in the service industry for over 30 years. His first career was working with families from Westmount and surrounding areas, hosting children between the ages of 6 to 16 as the owner and director of Camp Maromac, a sports and arts sleep away summer camp established in 1968. Using the same strengths caring for the families, such as reliability, integrity, honesty and a deep sense of protecting the interests of those he is



responsible for, Joseph applies this to his present real estate broker career. Should you have questions please feel free to contact Joseph Marovitch at 514 825-8771, or josephmarovitch@gmail.com

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