



Want to Avoid Getting Sued? Do these things.

When it comes to the fast-moving world of real estate, it turns out patience really is a virtue.

That's because, even as you're juggling multiple clients and staying on top of endless details, knowing how *not* to get sued goes a long way to keeping you out of court.

It starts with taking time to prepare transaction documents in a clear, understandable way and keeping good notes throughout the transaction, according to REIX Senior Vice President Dave de la Ronde.

"Lawsuits go on for years and can be quite stressful. Exercising care at the time of the transaction can, and does, dramatically reduce the amount of time a matter is in litigation if not put an end to it quite quickly," he says.

Here are some of the top reasons subscribers get sued – and how to avoid the pitfalls.

Attention to Detail

- When listing or re-listing a property, always check to see if the information on a prior listing is correct. Many times, there are errors that are simply being repeated.
- Be sure to always disclose previous issues or problems with the property.
- Always read the titles you pull and ensure you verify what the instruments on title are.

Ask the Right Questions

- If you're the buyer's agent, make sure you ask what the most important elements or features are that the buyer is looking for – and what they're NOT looking for.
- If you're the seller's agent, for the purposes of disclosure, always ask the seller for details of any previous problems with the property and what, if anything, was done to fix them.

Know Your Clauses

Subscribers can easily get caught out if they fail to pay attention to some key clauses in the contract. Here are the two most common reasons subscribers get sued as a result of ignoring important clauses:

- Failing to list ALL of the chattels, or personal property, in the Purchase Contract. This means that everything, from furniture to lawnmowers, that's included in the sale must be listed. Be sure to determine exactly what is chattel and what is a fixture.
- Writing terms, conditions and/or addendums that are confusing and or unclear. Anything written in a contract should be done in such a way that any person that's not a party to the contract can read it and understand exactly what the parties are agreeing to.

[The Real Estate Insurance Exchange \(REIX\)](#) provides mandatory errors and omissions insurance to approximately 13,500 Alberta and Saskatchewan real estate industry members and protects them from financial loss due to negligent acts while performing their real estate duties.