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Be your own real estate agent at new Internet site

Mike Forcier is an Owen Sound lawyer who is ready to turn the real estate world upside down. Next week, after two years of planning and preparation, he will launch <http://www.propertyshop.ca>, an Internet-based scheme to bring a new way of buying and selling real estate to Ontario.

At its simplest, Propertyshop.ca is a virtual real estate office where individuals sell their own real estate with a lawyer providing all the background legal work and advice. It is based partly on the Scottish model of real estate offices owned and operated by solicitors, and partly on the For Sale By Owner concept which is popular in the United States.

Until now, Ontario sellers who wanted to market their properties themselves without agents were pretty much on their own. Forcier's system provides vendors with the necessary marketing tools, signs, ads and Internet advertising.

Propertyshop allows vendors to sell their properties with the lawyer providing all legal work and advice. Sellers retain participating lawyers to list a property on the site as an incidental service to the main legal services provided.

In this way, Forcier is able to comply with the 2002 amendments to the Real Estate and Business Brokers Act. The legislation, which has not yet been proclaimed into law, exempts lawyers from registering as real estate brokers to trade in real estate as long as the transaction is "incidental to and directly arising" out of the legal services provided.

Forcier is ready to tackle Ontario's organized real estate industry. He has purchased hundreds of 30-second ads on local radio stations announcing, "There is a quality revolution happening right now in the real estate world and it's called Propertyshop... You no longer need a real estate agent, and that translates into saving thousands of dollars."

"What's the good of bringing the lawyer to the table after the deal has been done?" Forcier asks. "If things are done correctly at the start, you don't have to clean up problems at the last minute."

In preparation for his launch of Propertyshop, Forcier visited various solicitor-operated property shops in Edinburgh and Glasgow last fall. There he discovered that the Edinburgh Solicitors Property Centre has a 90 per cent market share of real estate purchases and sales, and charges commissions of between 1 and 1 1/2 per cent.

ESPC was founded in 1971 and now has branches throughout east central Scotland, and parts of England and Wales. Last year its 265 member law firms sold 17,360 properties with a combined value of more than \$4 billion (Canadian).

The Glasgow equivalent opened just 10 years ago and today has a 40 per cent share of the market.

Owen Sound property sellers will pay a fee of \$380 to list their homes on the Propertyshop Web site. The listing may contain up to 20 pictures and several pages of text. Web listings are linked to the MapQuest Web site to help buyers locate the property. In addition to a conventional lawn sign, a 24-hour information line for each property acts like a talking advertisement, giving out information any time of day or night.

"With Propertyshop.ca," the Web site proclaims, "you can still sell your own home, without having to pay thousands of dollars in commission, but you have professional marketing tools and you have the security of your trusted lawyer to guide you through the legal steps. Your lawyer will help you negotiate an agreement of purchase and sale and advise you on all the legal issues involved in a sale or purchase of a property."

Despite anticipated opposition from local realtors, Forcier is optimistic his Propertyshop.ca concept will eventually drive down real estate commissions in Bruce, Grey and Simcoe counties.

"Canadians pay some of the highest real estate commissions in the world," he says. "Six per cent is the standard fee here. In Edinburgh, commissions have gone down to no more than 2 per cent, and they are half that in Glasgow."

Propertyshop.ca opens for business on Monday. No doubt lawyers, real estate agents and property owners across the province will be carefully monitoring its operations.

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