



## RECORDS – TRANSFER OF FILE BETWEEN INDUSTRY MEMBERS

**Summary: Industry members should cooperate with other industry members in the transfer of documents required to facilitate a change in service providers [*Real Estate Act Rules*, s.42(g), s.57(d)]**

When there is a change of service provider from one brokerage to another, perhaps due to a brokerage closure, client dissatisfaction or other causes, it is important the transition occur smoothly and with the least possible inconvenience to the client. Under all circumstances, and particularly when disputes arise between industry members or their clients, industry members must cooperate and assist in the transition and transfer of documents to the new service provider. Documents can be transferred, received and/or maintained electronically.

This section may be readily applied in the property management sector when there is a change in property managers. This is particularly important as it relates to trust accounting documentation and other financial records, including tenant deposits. Cooperation includes the provision of documentation on a timely basis and responding to information requests from the new property manager.

The Real Estate Council of Alberta has encountered situations where industry members have not transferred client documents and, in spite of the client's requests for transfer, the industry member has attempted to hold documents until monies were paid. This would constitute conduct deserving of sanction.

### Example

A client has just terminated the services of a property manager. The client has requested the property manager provide the client's records to the newly hired property manager. The property manager refuses, stating the client owes him money. The property manager will be prohibited from putting his interest above the client and the public. The industry member must transfer the client files to the new service provider and may use a debt action to obtain monies owing.