

ADVERTISING – CLEARLY INDICATED

Summary: Real estate and mortgage industry members may only trade in real estate or deal in mortgages, respectively, in the name of the brokerage with which they are registered. Industry members must clearly indicate their brokerage name in all advertising. A brokerage name is “clearly indicated” when a reasonable consumer, under normal circumstances, can clearly distinguish the name of a brokerage in an advertisement for an industry member registered with that brokerage. [See: *Real Estate Act* s.1(x), s.17; *Real Estate Act Rules* s.49, s.65]

Licensed real estate and mortgage brokerages are responsible for trading in real estate or dealing in mortgages only in the name that appears on the brokerage’s licence. Brokerages must ensure the name of the brokerage, exactly as it appears on the licence, must be **clearly indicated** in all advertisements – whether the advertisements are for the brokerage as a whole or for an individual industry member on behalf of the brokerage. All industry member advertisements must **clearly indicate** the brokerage with which that industry member is registered.

The Real Estate Council of Alberta (RECA) considers “clearly indicated” to mean that a reasonable consumer under normal circumstances could clearly distinguish the name of a brokerage in an advertisement for an industry member registered with that brokerage. The advertisement should be unambiguous in stating the full name of the brokerage; including a brokerage logo or website address is not clearly indicating the brokerage name. A reasonable consumer should be able to identify the brokerage based on the advertisement.

At the time a brokerage becomes licensed with RECA, it is licensed in its legal entity name whether it is a sole proprietorship, partnership or corporation. The brokerage may also, at that time or a later date, register a trade name with Alberta Registries for the legal entity/brokerage. For the purposes of the *Real Estate Act*, the brokerage will be limited to the use of one trade name. The “trade as” name is the name the brokerage must use for all licensed activities and is the name that must be clearly indicated in advertising. Note that in order to use a trade name, a brokerage must formally apply to RECA to use that name and provide proof of trade name filing from Alberta Registries to RECA.

Holding oneself out as an industry member

Section 1(1)(x)(v) of the *Real Estate Act* states that holding oneself out as trading in real estate is considered a “trade” in real estate, and requires a licence. Likewise, section 1(1)(r)(ii) of the *Real Estate Act* states that holding oneself out as a mortgage broker is considered “dealing in mortgages,” and requires a licence. Section 1(x)(iii) of the *Real Estate Act* considers advertisements, whether they are created by an associate or the brokerage, to be “trades” in real estate or “deals in mortgages,” as the case may be.

Industry members may only trade in real estate and/or deal in mortgages in the name of the brokerage with which they are registered and all advertisements must clearly indicate the industry member’s brokerage. Additionally, to comply with sections 51(1)(b), 53(a), 67(1)(b),

69(a) of the *Real Estate Act* Rules, industry members must use the name that appears on their licence with RECA or an also-known-as name, which RECA must first approve.

Branding

In 2008, RECA changed a significant component of its advertising policy for industry members. Industry members may now include other identifiers (i.e. franchise names, team names, a branding name) in their advertisements. However, industry members are cautioned, though, that their brokerage name must be clearly indicated in all advertisements, and individual industry members must ensure they are not holding themselves out as a brokerage if they are, in fact, not licensed as such. Individual industry members cannot leave the impression through their marketing, advertising or “team” structure that they are a brokerage if they are not licensed as such.

One way industry members can lessen confusion within their marketing materials is by ensuring that the name of the brokerage with which they are registered is clearly indicated in all materials. This is a requirement of the Rules. Additionally, industry members should avoid the use of identifiers in their branding efforts that people typically associate with brokerages, such as realty and real estate.

The same rules and restrictions apply to an individual associate branding him or herself separately from their brokerage. That is, the industry member must continue to trade only in the brokerage name that appears on their registration. To do otherwise contravenes the *Real Estate Act* Rules.

A number of issues can arise from “branding.” Clients need to be made aware they are signing a contract with a brokerage, not with a “team” or a particular associate. For an associate or team member to imply or say otherwise is not truthful.

For more information on the issue of Teams in Real Estate, see the RECA *Information Bulletin: Teams – Real Estate Brokerage*.

Clearly Indicated Using Font Choice

It is not unusual for industry member advertisements to use a larger font for the industry member’s or team’s name and a much smaller font for the brokerage name. Industry members may design advertisements in this way in an attempt to comply with legislation that requires them to trade or deal only in the name of the brokerage with which they are registered. Consumers, however, can become confused because of the dominance of the font of the associate’s or team’s name relative to the size of the font used for the brokerage name. An attempt by an industry member to create independence from his or her brokerage in an advertisement does not fulfill the requirement to clearly indicate the brokerage name.

RECA requires that all advertisements clearly indicate the brokerage being advertised.

Abbreviations

To comply with legislation, industry members cannot abbreviate the name of their brokerage in advertisements. For example, if the name of the brokerage contains the words “Real Estate,” an industry member may not use “R.E.” as an abbreviation. Brokerage names must be written on all advertisements exactly as they are written on the brokerage licence. Abbreviations, omissions and transposed words are not allowed.

Franchises

Many industry members are registered with brokerages that use a franchise name, such as Re/Max, Royal LePage, Mortgage Architects and Invis. Including only a franchise logo in your advertisements is not “clearly indicating” the specific brokerage with which you are registered. Company logos cover all brokerages under that brand, but do nothing to indicate a specific brokerage. Industry member advertisements must include the full brokerage name as written on their licence.

Websites and Social Media Applications

With the proliferation of individual industry members or teams creating websites that are separate from their brokerage website, it becomes even more important to clearly indicate the brokerage name. Every page of an industry member’s website must clearly indicate the brokerage name. For more information see *RECA Information Bulletin: Advertising – Internet Guidelines*.

Social Media sites such as Facebook, YouTube and Twitter are becoming increasingly popular with industry members as advertising tools. As with industry member websites, all social media profiles and pages must clearly indicate the industry member’s brokerage name.

On sites such as Twitter, there are few graphics and writing space is limited. However, even still, if an industry member wishes to use Twitter to trade in real estate or deal in mortgages, that industry member must meet the advertising standards set out in the *Real Estate Act* Rules, and that includes clearly indicating the brokerage name. However, if an industry member wishes to use a Twitter message only to entice the public to an advertisement located somewhere else (where brokerage information is clearly indicated), that industry member would not need to include their brokerage information in their brief Twitter message.

Personal social media profiles outside of your work as an industry member do not need to contain your brokerage name, as long as you do not use those profiles to trade in real estate or deal in mortgages. Remember, though, that any mention of your services as an industry member could be considered a “trade” or a “deal,” and that would require disclosure of your brokerage name.

Examples

RECA’s definition of clearly indicated does not include specifics as to the size of font that must be used for the brokerage name in advertisements, as RECA does not wish to hamper the creativity or uniqueness an industry member can employ in their ads. However, the brokerage name, no matter the actual size, must be clear to the consumer and not easily confused with other information (branding, team name, etc.) in the advertisement.

To better demonstrate what constitutes a clearly indicated brokerage name, RECA has compiled numerous examples of ads with clearly indicated brokerage names and ads without clearly indicated brokerage names.

The examples begin on the next page.

1. Magazine Ad.

JAKE THOMPSON
403-555-55540

More Listings at www.JakesCalgaryHomes.com

EAU CLAIRE LIBERTE

- Low down assumable
- Fully renovated w/granite countertops
- 2 bdms, 2 full baths and 2 balconies w/river views
- Over 1150 sq. ft.

\$465,000

MONTGOMERY SUITED

- Over \$60,000 in upgrades and renovations
- 50'x120' R2 lot, excellent location
- Excellent investment or holding property

\$399,000

I offer completely free, no hassle, no obligation home evaluations! Find out what your property is worth.

This ad does not include a brokerage name. An international franchise logo, such as the Re/Max balloon, is not sufficient.

This ad contains the brokerage name as it appears on this associate's certificate of licence, however it is very small, not located prominently and is nearly illegible.

JAKE THOMPSON
403-555-55540

More Listings at www.JakesCalgaryHomes.com

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- Low down assumable
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REMAX 123 Realty

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REMAX 123 REALTY

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- 50'x120' R2 lot, excellent location
- Excellent investment or holding property

\$399,000

I offer completely free, no hassle, no obligation home evaluations! Find out what your property is worth.

This ad clearly indicates the brokerage name on this associate's certificate of licence.

2. Website

**SAM JONES
JAKE THOMPSON
REAL ESTATE GROUP**
*Sells
Calgary*

HOME OUR MISSION **VIEW LISTINGS** BUYERS SELLERS FINANCING CONTACT US

Wednesday May 6, 2009

**CANADA
REFERRAL**

CanEquity
Mortgage
Secure Mortgage Pre-Approval

OUR BLOG

Sam Jones/Jake Thompson
Real Estate Group
500 Realty Avenue, NW
Calgary, AB
T5T 8U8
(403) 555-5555

SAM JONES/JAKE THOMPSON Real Estate Group

100% Satisfaction for Each & Every Client!

The **Sam Jones/Jake Thompson Real Estate Group** is a team of professional, experienced Realtors located in Calgary, Alberta. Our specialty is buying and selling real estate including new and existing residential and rural homes, condos and apartments, and we're ready to help you reach your real estate goals.

We believe that success is created one client at a time and strive to obtain 100% satisfaction for each and every one of our clients. We provide honest, quality service incorporating up-to-date marketing strategies, innovative and effective promotion, in-depth

Sam Jones/Jake Thompson Real Estate Group
© 2004 - 2009 SamJones.com All rights reserved.

There is no mention of any licensed brokerage on this webpage. Most consumers would assume the Sam Jones/Jake Thompson Real Estate Group is the name of the brokerage. Sam Jones and Jake Thompson are actually two associates within the unnamed brokerage. By providing an address and telephone number under the Group's name, these associates give an even stronger impression that they are a brokerage.

**SAM JONES
JAKE THOMPSON**
REAL ESTATE GROUP
Sell. Buy. Calgary

HOME OUR MISSION **VIEW LISTINGS** BUYERS SELLERS FINANCING CONTACT US

Wednesday May 6, 2009

CANADA REFERRAL

CanEquity
Secure Mortgage Pre-Approval

OUR BLOG

Sam Jones/Jake Thompson
Real Estate Group
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100% Satisfaction for Each & Every Client!

The **Sam Jones/Jake Thompson Real Estate Group** is a team of professional, experienced Realtors located in Calgary, Alberta. Our specialty is buying and selling real estate including new and existing residential and rural homes, condos and apartments, and we're ready to help you reach your real estate goals.

We believe that success is created one client at a time and strive to obtain 100% satisfaction for each and every one of our clients. We provide honest, quality service incorporating up-to-date marketing strategies, innovative and effective promotion, in-depth

Royal LePage 123 Realty
© 2004 - 2009 SamJones.com All rights reserved.

This ad indicates the brokerage, but not clearly enough. The group name is more prominent, complete with a graphic, and is mentioned multiple times.

This ad displays both the brokerage and the group name. The brokerage name is more prominent, and is displayed in the banner, which will appear on every page within the site. Each page within a website is required to have a clearly indicated brokerage name.

ROYAL LEPAGE
123 REALTY

HOME OUR MISSION **VIEW LISTINGS** BUYERS SELLERS FINANCING CONTACT US

Wednesday May 6, 2009

CANADA REFERRAL

CanEquity
Secure Mortgage Pre-Approval

OUR BLOG

Sam Jones/Jake Thompson
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**SAM JONES
JAKE THOMPSON**
REAL ESTATE GROUP
Sell. Buy. Calgary

Royal LePage 123 Realty
© 2004 - 2009 SamJones.com All rights reserved.



JANE THOMPSON
your
Alberta
Mortgage Expert
403-555-5555

Home | Contact | Why a Broker? | Glossary | Apply Online

Welcome to janethompson.com - the most useful Mortgage Website in Alberta

PAY YOUR OWN MORTGAGE - LOWEST RATES IN

As a Calgary and Alberta Mortgage Broker working with all consumers in Alberta, I have been assisting people obtain stress free mortgage financing, offering rates as much as 2% below posted rates.

TERM	BANK	OURS
Prime	3.25%	3.00%
1 Yr	3.90%	2.90%
2 Yr	4.05%	3.05%
3 Yr	4.15%	3.15%
4 Yr	4.84%	3.79%
5 Yr	5.25%	3.64%
7 Yr	6.60%	5.50%
10 Yr	6.70%	5.25%


Prime = 2.25%
refinance into a LOW rate now!

I focus on assisting people with many types of mortgage requirements. Including, but not limited to, first time home buyers in Canada, refinances, buying that second home, buying vacation property, assisting with a debt consolidation by using the equity appreciation in your home. I also make sure my clients get the lowest Alberta mortgage rates right from the beginning and take advantage of extended amortization's to lower monthly payments. Some hard working consumers simply have not saved for a down payment, but have excellent credit

- Mortgage Calculator
- Understanding your Credit
- Rate Types Explained
- Frequently Asked Questions
- Self Employed
- Real Estate Investors
- First Time Home Buyers
- Vacation Property-Second Homes
- Refinancing
- Breaking News***

This mortgage associate's ad does not display the brokerage with which this associate is registered.

This ad displays brokerage information prominently, but it is not displayed exactly as it appears on their licence, and is therefore not clearly indicated.



JANE THOMPSON
your
Alberta
Mortgage Expert
403-555-5555

Home | Contact | Why a Broker? | Glossary | Apply Online

Welcome to janethompson.com - the most useful Mortgage Website in Alberta

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As a Calgary and Alberta Mortgage Broker working with all consumers in Alberta, I have been assisting people obtain stress free mortgage financing, offering rates as much as 2% below posted rates.

TERM	BANK	OURS
Prime	3.25%	3.00%
1 Yr	3.90%	2.90%
2 Yr	4.05%	3.05%
3 Yr	4.15%	3.15%
4 Yr	4.84%	3.79%
5 Yr	5.25%	3.64%
7 Yr	6.60%	5.50%
10 Yr	6.70%	5.25%

Prime = 2.25%
refinance into a LOW rate now!

I focus on assisting people with many types of mortgage requirements. Including, but not limited to, first time home buyers in Canada, refinances, buying that second home, buying vacation property, assisting with a debt consolidation by using the equity appreciation in your home. I also make sure my clients get the lowest Alberta mortgage rates right from the beginning and take advantage of extended amortization's to lower monthly payments. Some hard working consumers simply have not saved for a down payment, but have excellent credit

- Mortgage Calculator
- Understanding your Credit
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- Refinancing
- Breaking News***



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Alberta
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Prime	3.25%	3.00%
1 Yr	3.90%	2.90%
2 Yr	4.05%	3.05%
3 Yr	4.15%	3.15%
4 Yr	4.84%	3.79%
5 Yr	5.25%	3.64%
7 Yr	6.60%	5.50%
10 Yr	6.70%	5.25%

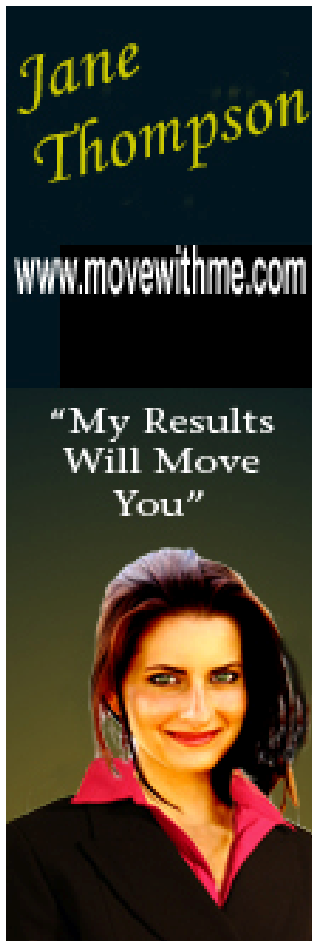
Prime = 2.25%
refinance into a LOW rate now!

I focus on assisting people with many types of mortgage requirements. Including, but not limited to, first time home buyers in Canada, refinances, buying that second home, buying vacation property, assisting with a debt consolidation by using the equity appreciation in your home. I also make sure my clients get the lowest Alberta mortgage rates right from the beginning and take advantage of extended amortization's to lower monthly payments. Some hard working consumers simply have not saved for a down payment, but have excellent credit

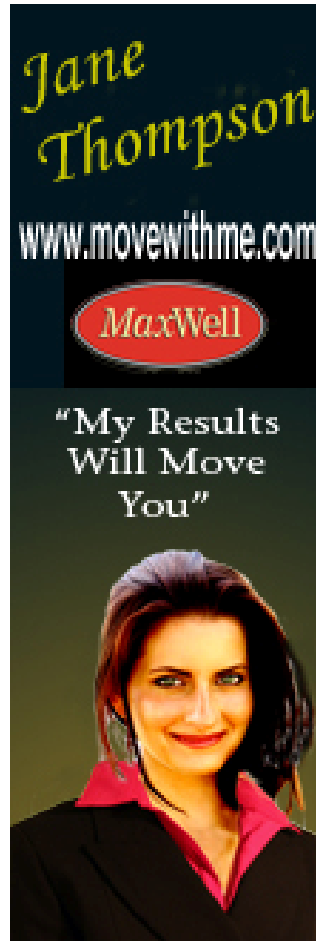
- Mortgage Calculator
- Understanding your Credit
- Rate Types Explained
- Frequently Asked Questions
- Self Employed
- Real Estate Investors
- First Time Home Buyers
- Vacation Property-Second Homes
- Refinancing
- Breaking News***

This ad clearly indicates the brokerage with which this associate is registered.

3. Web Banner Ad



This website banner ad does not include a brokerage name. Also, the website included in the advertisement is the associate's personal business site, and is not the brokerage's site.



This ad has a brokerage franchise logo, but no licensed brokerage name.



This ad clearly indicates the brokerage with which this associate is registered.

4. Bench Ads



This bus bench advertisement does not include the brokerage name, only a franchise logo.

This bus bench has the correct brokerage name; however it is not clearly indicated. The font used for the brokerage name is too small, especially in comparison to the rest of the writing on the bench, it would be very difficult for a consumer to read. The brokerage name must be clear to consumers.



Clearly Indicated

The following examples are advertisements in which the brokerage name is clearly indicated. They comply with the legislation.

1. Magazine advertisements.

In the following two advertisements, there is no confusion as to the name of the brokerage

JANE THOMPSON
Realtor[®]
403-555-5555
ROYAL LEPAGE
123 REALTY

#1 REALTOR[®] IN ALBERTA 2007 & 2008

GREAT PROPERTIES FOR SALE

Property 1	Price	Property 2	Price
Property 3	Price	Property 4	Price

TheThompsonGroup.com

REAL ESTATE KNOWLEDGE. | JAKEJACKSON.COM

123 REALTY
403-555-5555

JAKE JACKSON
Real Estate Knowledge

2. Website. This website clearly indicates the brokerage is MaxWell 123 Realty. It is smaller than the associate's name, but there is no confusion as to what brokerage this associate represents.

The screenshot shows a real estate website for Jake Thompson. At the top left is the MaxWell 123 REALTY logo. To the right is a red banner with the text "How you find a great real estate agent." Below the banner is a navigation menu with links: Home, Listings, Profile, Buyers, Sellers, Mortgage Center, Contact, Home Evaluation, and Links. The main content area features a large red script name "Jake Thompson" and a portrait of the agent. To the right of the portrait is a short bio. Below the bio is a red heading "Royal LePage Franchise - North West" followed by contact information. On the right side of the page, there is a "Feature Property" section with a photo of a house and a "Click for more Details" link. At the bottom of the page is a red footer with links for "Agent Login", "Privacy Policy", "© 2006 Royal LePage", and "Web Design & Marketing by".