

COMPLY WITH LEGISLATION

Summary: An industry member must practice in strict accordance with the *Real Estate Act*, Regulations, Rules, Bylaws and any other laws that govern industry members when they are conducting business as real estate brokers, mortgage brokers and real estate appraisers. [See: *Real Estate Act* Rules, s.41(g)]

By virtue of the Alberta *Real Estate Act*, the Real Estate Council of Alberta (RECA) has been given the responsibility of licensing and regulating the real estate brokerage, mortgage brokerage and real estate appraisal industries in Alberta. The mandate or purposes of the Council are to:

- set and enforce standards of conduct for the industry and the business of industry members in order to protect the integrity of the industry,
- protect against, investigate, detect and suppress mortgage fraud as it relates to the industry,
- protect consumers affected by the industry,
- provide services that enhance or improve the industry and the business of industry members; and,
- administer the *Real Estate Act*, Rules, Bylaws and Regulations.

The *Real Estate Act* establishes a model of industry self-regulation. Self-regulation is a privilege granted to the industry by the Government of Alberta. This privilege comes with responsibility. It is the responsibility of the Real Estate Council of Alberta to fulfill its mandate as set out in the *Real Estate Act*. In order to preserve the integrity of self-regulation and confidence of the public, it is the professional and legal obligation of each industry member to ensure compliance with the *Real Estate Act*, Rules, Bylaws and Regulations. Accordingly, industry members must have a working familiarity with the *Real Estate Act*, Rules, Bylaws and Regulations and any other Alberta laws that govern trading in real estate, dealing in mortgages or providing real estate appraisal services.

It is also the responsibility of the industry member to be aware of the provisions of the legislation relating to licensing requirements and professional obligations (e.g. re-licensing education or record keeping requirements). For example, if involved in property management, the industry member should have knowledge of the *Residential Tenancies Act* (Alberta) and comply with its provisions. Mortgage brokers involved in residential or consumer mortgages should review the *Fair Trading Act*. If a real estate broker represents sellers or buyers of condominium properties, he or she should have working knowledge of the *Condominium Property Act*.

Industry members must not only adhere to applicable legislation, they must also avoid any situations where they could be seen as party to questionable activities in relation to the legislation.

Lack of awareness or knowledge concerning the *Real Estate Act*, Regulations, Rules or Bylaws, or any legislative requirement is not a defence in the event an industry member is the subject of conduct proceedings. Failure to adhere to the legislative requirements could lead to an initiation of the complaint process by a member of the public or another

industry member, and in turn, a disciplinary proceeding before a Hearing Panel of the Real Estate Council of Alberta.