

# The Regulator

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### Message From Council



Kevin Clark, Chair

As I write this article I am sitting in a service station waiting for the return of my car. Like most of the interactions of my life, I have come filled with EXPECTATIONS, fairly high expectations. My overriding uncertainty however is whether REALITY will meet my expectations.

Will the mechanic be licensed and qualified to service the work I need to have done?

Will they be experienced to deal with the necessary task?

Will they tell me if they are inexperienced or unfamiliar with the work, or will they 'take a chance' and 'hope for the best' because they need the work?

Will they be truthful to tell me exactly what I need to have repaired?

Will they explain to me what the costs will be?
Will I leave with a sense of well-being toward the 'regulatory body of motor vehicle mechanics' (whoever that is!), or will my reality be unfulfilled, disappointing and deepen my distrust of the whole industry?

My experience is not unlike that of Albertans who use the services of a Real Estate Associate/ Broker, Mortgage Broker Real Estate Appraiser or Property Manager. Each person approaches our industry with varying levels of expectation; usually resulting from prior experiences, beliefs, gossip, research, hopes and even dreams. The over-riding, often unspoken, lingering question is whether the REALITY will equal or perhaps even exceed the EXPECTATION?

This is where our job, as Council, as the regulator and governing body for the real estate industry begins. Preparing licensees, regardless of their business model, to serve the people of Alberta, so that the REALITY of using a real estate licensee equals or even exceeds the EXPECTATION!

Sometimes the Regulator (in this case, the Real Estate Council of Alberta) makes sweeping changes with 'plain language initiatives' initiatives' or rule changes regarding 'putting everything in writing' (Written Service Agreements). At other times (as detailed in this publication) we are checking up on the 'Effectiveness of Council' and our Relationship with the Industry (see article on Weaver Research Survey Results); introducing the advancement of new technological facilities to advance the 'Self-Regulatory' nature of the industry (see article on myRECA); and promoting the need for licensees to keep relevant by engaging in continuous learning and keeping familiar with the advancements in 'plain language information bulletins."

In his book The Speed of Trust, Steven Covey Jr. explains that, the expectations of TRUST that we desire from those around us will be built upon two broad measures:

That of our perceived Character (our trustworthiness); plus our perceived Competence (ability to get the job done). - Some are highly trustworthy but cannot get the job done while others can get the job done but you wouldn't trust them 'as far as you could throw them'.

Our Character will be weighed on two scales: That of INTEGRITY - our virtue, truthfulness, honesty; and that of our INTENT – our motivation, do you really have my best interest at heart?

By way of contrast, our Competence will be measured on two additional scales:
Our CAPABILITY to perform the job at hand; and the measure of the RESULTS that we have achieved in this field.

Our job as a regulator is to earnestly prepare licensees, regardless of their business model, to serve the people of Alberta; so that Albertans can put their TRUST in a real estate licensee and that their REALITY in using a real estate licensee will equal or even exceed their EXPECTATIONS!

ps: Oh joy, the service station exceeded my expectations: they did what they promised, put it in writing, came in under budget and ahead of schedule. I will refer them to my friends, use them again and speak well of them at every opportunity:) – sounds like a good business plan. Enjoy the rest of the summer.

### **Survey Results**

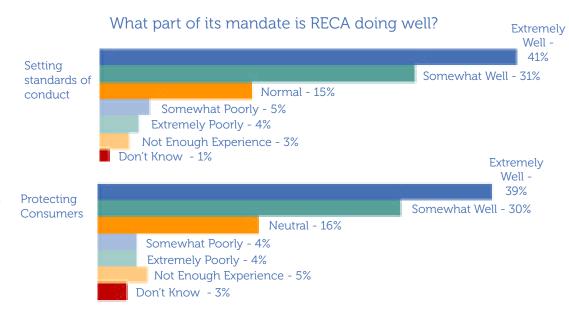
Almost 1,900 industry professionals have spoken and the Real Estate Council of Alberta is listening.

That's the number of licensed industry members who took part in the Real Estate Council of Alberta's recent survey of industry professionals.

The Real Estate Council of Alberta hired Weaver Marketing Research, an independent accredited market research firm, to carry out the survey. The survey was designed to measure the awareness of RECA's roles and responsibilities, determine the main sources of industry information for licensed professionals, measure levels of satisfaction, assess views on self-regulation and gather opinions on the issues facing the industry in the future.

Highlights from the survey results include:





- Stated levels of awareness of RECA's role and responsibilities are high
- RECA's performance is weaker in promoting the integrity of and enhancing/ improving the industry
- Industry professionals give RECA top marks for informing industry professionals about key industry issues and an efficient licensing process and lowest marks for advisory services for brokers and consumer education/awareness programs
- There are mixed reviews from industry

professionals on whether they are satisfied that the system of self-regulation is working effectively (10% indicated complete satisfaction, 36% said very satisfied and 34% say only somewhat satisfied)

#### Most important issues:

When asked about the most important issue facing the industry, many professionals identified public image and falling commissions as key. They also often mentioned a need for better professional training and education. Mortgage brokers are most concerned with mortgage fraud

Going forward, many industry professionals indicated they want RECA to focus on two main areas:

- Educating the public about the real estate industry / paving the way for consumers to become better informed
- Providing more continuing education for professionals.

The survey results will serve as a baseline measurement for RECA as it moves through its current strategic plan— and begins thinking about its next strategic planning

#### RECA's Discipline Penalties are Appropriate in Relation to the Severity to the Wrongdoing



strongly agree

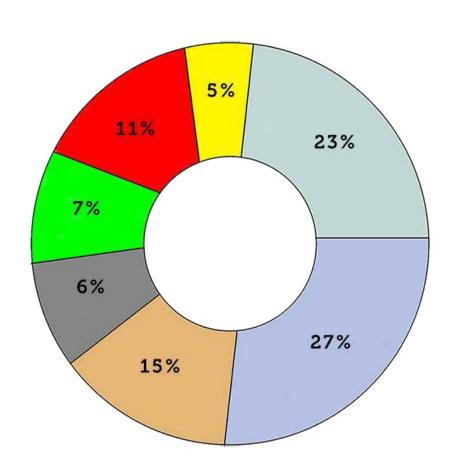


don't know

not enough experience

strongly disagree

somewhat disagree



in two years to see how the perceptions of RECA and the services it provides have changed.

In the meantime, RECA will continue to work on initiatives that address the issues industry professionals raised.
Among them:

- Increased communication with consumers and attendance at consumer trade shows: consumer communication will bring awareness to RECA's role as the regulator but also to highlight the fact that real estate, mortgage brokerage, real estate appraisal and property management industry members are licensed, regulated professional individuals (such communication could include paid advertising in the coming year)
- The development of additional continuous learning program courses (please see article elsewhere in this newsletter)
- The development of a sample real estate brokerage practices

(developed jointly with the Alberta Real Estate Association); to improve the practice of real estate brokerage in Alberta

 Consultation on whether a new licensing model would better serve the needs of industry professionals and consumers

RECA would like to again thank the industry professionals who took the time to complete the survey. You're helping to shape the future of your industry and the work of the Real Estate Council of Alberta.

### Renewal Time Again

This year's annual renewal period will launch on Monday, August 11, 2014. That's when authorized industry professionals' licensing status lights will turn to yellow and brokers and appraisers may begin processing renewals.

The Real Estate Council of Alberta has set individual real estate, mortgage brokerage and real estate appraisal professionals' licensing renewal fees for the coming licensing year at \$475. That's \$50 less than the licensing renewal fee in September 2013.

Solid financial planning – and increasing education course sales – means RECA is in a financial position that will allow it to lower individual licensing fees while still fulfilling its mandate and completing its strategic initiatives.

The real estate licensing renewal fee of \$475 does not include the REIX premium, which is paid to RECA and then forwarded to REIX. REIX has set that fee for the coming year at \$255, which is \$20 less than last year.

Brokerage licence renewal fees remain at \$450, with real estate brokerages also having the required REIX premium of \$100.

All industry professionals must ensure their personal contact information is up to date in their myRECA profile to ensure they will receive important renewal related emails.

Brokers and appraisers must login to their myRECA account and access their brokerage account or appraisal business account to pay renewal fees and process renewals. Brokers remain responsible for submitting all renewal payments through their brokerage account just as they have done in past years; associates and associate brokers cannot submit renewal payments through myRECA. Brokers and appraisers - watch for a **RECA News email next** week as the renewal period gets underway.

### Important things to remember for this year:

- Real estate and real estate appraisal industry professionals are required to complete Real Estate Update 2014 and Real Estate Appraisal Update 2014, respectively, before renewing. Access your required education course(s) through myRECA at www.myreca.ca.
- The renewal deadline is September 30, 2014. For a complete fee schedule for the coming year, please click here.

### myRECA Frequently Asked Questions

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Industry professionals and learners say the system is working well and they appreciate having the ability to manage their own contact information and pay for certain RECA services. myRECA is also the system through which industry professionals login and access their RECA Education courses, including the relicensing education program courses.

There are, however, certain questions that keep popping up. Here are the most frequently asked questions – and answers – about myRECA.

#### I didn't get a launch email. How can I log in?

• Just go to myRECA.ca and click the 'Proceed to Login Page' button. If you are logging in as a first time associate/associate broker or a learner, follow the first time login instructions.

### My ID and password don't work.

- Confirm your ID number is entered correctly. It must have two (2) letters, followed by a dash (-), followed by seven (7) numbers. (eg. RW-0001234)
- Confirm your date-of-birth is entered correctly.
- Confirm you are using your myRECA password, not your education password.

## When I try to generate or reset my password, it returns 'No Matching Records.'

- Confirm your ID number is entered correctly. It must have two (2) letters, followed by a dash (-), followed by seven (7) numbers. (eg. RW-0001234)
- Confirm your date-of-birth is entered correctly.

## I'm trying to change my password, but it won't accept my change.

 Make sure your password meets a strength protocol of at least eight (8) characters, one (1) of which must be uppercase, one (1) of which must be lowercase, and one (1) of which must be a number.

# The welcome page won't load from the launch email or the site is displaying strangely.

 There is an issue with your browser. Ensure you have the latest version of Internet Explorer, or use a different browser, such as Firefox, Chrome or Safari.

### I can't see the Accept button on the Terms of Use page.

 Some tablets may not display the entire page.
 RECA recommends you use myRECA on a laptop or a desktop computer.

### Appraisers and Self-Regulation

### Wouldn't it be nice if all disputes could be resolved with a simple, professional phone call to the other party?

Of course, we know that's not always how it happens. But in our self-regulated industry, we'd like it to happen more often than not.

Self-regulation is about industry professionals being honest, respectful and professional in all of their dealings, whether it is with clients, customers or other industry professionals. And while the Real Estate Council of Alberta is the facilitator of self-regulation for Alberta's real estate. mortgage brokerage, real estate appraisal and property management professionals, it's up to the individuals themselves to ensure it happens.

Self-regulation requires that professionals collectively govern themselves in a manner that is in the public interest. Successful self-regulation is when industry professionals have a mindset that admits to, and takes responsibility for, mistakes, attempt to solve problems, and communicate concerns to each other.

The brokerage structure of the real estate, mortgage and property management sectors makes reporting misconduct simple. Associates can talk to their broker, who can contact the broker of the person suspected of misconduct. Appraisers don't have brokers, and are usually selfemployed, which can make it more difficult to report or discuss misconduct in a professional or productive way.

If you believe a fellow real estate appraiser has made a mistake, talk to them about it, let them know and give them the opportunity to correct it. Professionalism means doing the right thing, not being concerned with whether doing the right thing will upset someone or lead them to hold a grudge against you.

If, after talking to the other appraiser, the mistake is not rectified, or if the problem was more than a simple mistake, and could reckless or fraudulent activity, report it to RECA through the Complaints process. Industry professionals sometimes tell us that we aren't doing enough to stop misconduct in the industry, but RECA can't do anything about misconduct if we don't know about it

Self-regulation means we need to be cautious of our actions, and the actions of our peers. Following standards of professionalism and successfully rooting out misconduct is good for the reputation of the industry and the trust the public puts into it.

# Continuous Learning Courses Can Enhance Your Career

Here's an opportunity to enhance your career. The Real Estate Council of Alberta (RECA) has just launched its Continuous Learning courses.

RECA currently offers these Continuous Learning courses:

- Introduction to Designated Agency (free)
- Consumer Relationships
- Property Valuation

RECA will offer these Continuous Learning courses in the near future:

- Contract Law
- Real Property Law
- Real Estate Legislation
- Real Estate Brokerage

Continuous Learning courses are available online for your convenience and you can choose the course you want. Each course is only \$105 and RECA provides you with an income tax receipt for this amount. When you complete the course, you also receive a Certificate of Completion. Any course you complete will be added to your education profile.

These courses are part of a comprehensive strategy to promote the excellence and competence of industry professionals. They also provide professionals with the opportunity to close the skill or knowledge gaps between those who recently completed their pre-licensing education and those who completed it years ago.

Continuous Learning courses can also help you learn more about the

obligations and services in other sectors. For example, mortgage brokers and real estate appraisers may take real estate Continuous Learning courses to learn about the standards of practice in that sector.

To enroll in a Continuous Learning course, login to myRECA at myRECA.ca.

Note: Continuous Learning courses are separate from the mandatory Re-licensing Education Program (REP) courses.

Continued on next page



### How can continuous learning work for you?

- 1. Make the commitment to your professional continuous learning.
- 2. Evaluate your professional strengths and weaknesses. Using feedback received from your clients, your broker, and your peers, determine if you have any skill or knowledge gaps.
- 3. Evaluate how effective your past efforts have been to enhance client services.
- 4. Use your industry experiences as learning opportunities to reexamine your assumptions, values, methods, and practices.
- 5. Identify where you want to be in your career in 3 to 5 years. Using reversegoal setting, establish your goals and the steps needed to achieve them. Describe the steps in detail, such as courses you'll take, networking groups you'll join, and the dates when these will occur.

- 6. Review your plan regularly and refine your goals as you advance your career, adjusting for changes in circumstances and resources.
- 7. Check out courses offered by RECA, industry associations (such as AREA and BOMA), and educational institutions.

Act on your career plan now today by checking out RECA's Continuous Learning courses!

### **News Bytes**

#### <u>Plain Language</u> Info Bulletins

Why use 100 words to say something if you can say it just as well in 50?

Why complicate things by quoting legislation legalese when you can transform the content into a much more readable document?

Why use industry jargon that some professionals and consumers aren't familiar with?

The answer to all of these questions is simple: don't.

The recent re-launch of the Real Estate Council of Alberta brand included a website redesign, which provided an opportunity to review the more than 100 Information Bulletins for industry members that have been housed on the website since March 2009.

While the policies in those bulletins haven't been revised, the way they've been written has. RECA staff underwent plain language training in late 2014 and that training helped as we reviewed and re-wrote our library of Information Bulletins.

RECA Information Bulletins now all contain a Purpose Statement at the front end – written so that a reader knows right at the beginning if the bulletin is going to give them the information they need. The next part of the bulletin clearly states who the bulletin applies to.

We're making it easier for industry professionals to quickly find the information they want and need, and get the answers they're looking for.

There are now more than 80 re-written, plain language Information Bulletins available on our website here. More will be added in the coming months.

## RECA Recognizes RPA and CPM Designation

Do know someone who wants to become licensed as a property manager in Alberta?

Individuals who have earned and have a current Real Property Administrator (RPA) or Certified Property Manager (CPM) designation may apply to the Real Estate Council of Alberta (RECA) for an exemption from the property management prelicensing course and exam.

RECA sets the eligibility and education requirement for licensing as a real estate professional, which includes property management. To become licensed as a property manager, individuals must meet the eligibility requirements, and must complete the core course, Fundamentals of Real Estate. Typically, they must also complete the practice course, Introduction to a Career in Property Management, and its exam.

### **News Bytes**

Individuals with the RPA or CPM designation who apply for and receive an exemption from the property management course and exam will still have to complete the Fundamentals course and meet other licensing eligibility requirements. For more information on the requirements to become licensed as a property manager in Alberta, please see RECA's website, here.

#### 2013-2014 Council Members

#### KRISTA BOLTON

Appointed from the public

#### BILL BUTERMAN, PAST-CHAIR

Appointed from non-AREA industry members

#### KEVIN CLARK, CHAIR

Appointed from residential real estate industry members

#### TONY DHALIWAL

Appointed from the public

#### JOHN FARMER

Appointed from the real estate apprisal sector

#### CHAD GRIFFITHS. CHAIR-ELECT

Appointed from the industrial, commercial and investment real estate sector

#### PAT KELLY

Appointed from the mortgage brokerage sector

#### BRIAN KLINGSPON

Appointed from the REALTORS® Association of Edmonton

#### ANGELA KOLODY

Appointed from the boards outside of Calgary and Edmonton

#### STAN KUSHNER

Appointed from the Calgary Real Estate Board

#### DALE RUSSELL

Appointed from the boards outside of Calgary and Edmonton

#### CHRISTINE ZWOZDESKY

Appointed from the property management sector

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#### **CONTACT RECA**

The Regulator is published by the Real Estate Council of Alberta.

Please forward any questions regarding the content of the Regulator, or any questions regarding licensing or mandatory education, to info@reca.ca



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