

# The Regulator



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**REAL ESTATE  
COUNCIL  
OF ALBERTA**



# Message From Council

## Kevin Clark, Chair

In recent years it has become popular among some workers to be identified as Professionals; that the term somehow distinguishes oneself, providing a certain dignity worthy of respect and even higher reward.

As a result there has developed a growing discussion over the difference between being 'a Professional' and that of 'acting professionally'. The former historically being those occupations, (Doctors, Lawyers, Engineers), who held some form of higher education than the general public and therefore having something to 'profess' for which they would be held responsible. - A learning that carried with it the capacity to help/harm those they served and subsequently a 'duty of care' in the information they 'professed' to those around them - a fiduciary.

In recent decades, with the exponential advancement of learning, knowledge and training in so many fields of work, it is no wonder that many additional occupations would now be considered Professions.

As a result society holds their work to a higher standard. They are expected to maintain a Duty of Care in the conduct of their business and are considered by simple definition to be Fiduciaries to those whom they serve. The Real Estate Industry would certainly be one such field.

To work within the real estate industry one must be granted a licence by completing a wide-ranging program of education and successfully passing required Provincial examinations. One must also be of good character and adhere to comprehensive standards of Regulation through Law,

Rules and Business Standards. If found to breach these standards, those licenced will be held accountable by a government appointed Regulator. In addition, local, Provincial and National Associations establish Codes of Ethics that their Members commit to follow in their Agreement of Membership; thus promising additional industry expectations.

All of this would suggest the right to be called **a Professional**. However, though Professional by designation, not always 'acting professionally'!

To 'act professionally' may be much more to describe someone else's behavior and whether it meets **our own expectation** of how they should be behaving within a given circumstance.

- My plumber is so professional because he gets to me on time and does the job on budget.
- At Tony's restaurant in St. Louis the staff is the most professional in Missouri.
- Go to ABC Service, they will greet you and treat you very professionally.

OR

- That taxi driver was so unprofessional because they ignored my request to stop smoking
- They act so unprofessionally at ABC Diner because they never get the order right
- If only they would act more professionally and treat me the way I think I should be treated

When we make such pronouncements it sounds as though what is being described is more *how the person behaved* than *what they are*. Professional behavior



seems to have more to do with how a person/company deals with me (or the person who is pronouncing that quality of behavior) than their qualifications. If a person is behaving *professionally* it is because they have made me feel valued and if I feel they are acting *unprofessionally* it is because they have somehow inconvenienced me or what I represent.

It is also interesting to note that, in most cases, when a speaker is telling us about professional behavior, we are confident we know what is being described, without further explanation of what the behavior was that they are referring to. (i.e. "She is such a professional..." - why, what did she do?)

Could they be the same as those written of long ago?

One who is **patient**: Who perseveres in the face of delay or irritation, without acting in annoyance or anger or in a negative way. Impatience would never be described as professional nor would it be a quality to pursue.

One who is **kind**: Attentive, being considerate, thoughtful, concerned, caring, compassionate, sympathetic and/or courteous. Unkindness/cruelty would never be described as professional nor would it be a quality to pursue.

One who is **NOT envious, boastful, or arrogant**: Someone who does not resent an advantage enjoyed by another, with an envy to possess the same advantage; who does not puff themselves up in speech (bragging) suggesting being better than others and does not present an inflated sense of their personal status or accomplishments.

Envy, conceit, arrogance would never be

described as qualities to pursue in one's pursuit of professionalism.

One who **does not put others down** or seek **advantage over others**: A person who does not gossip, speak ill of others, or cunningly try to take an unfair advantage.

Cunning may be secretly admired and gossip so seductive, but neither would be described as professional.

One who is **not quick to get angry** and does **not hold on to a memory of resentment**: Someone who constrains their emotions even when frustrated; who gives the 'benefit of the doubt' and 'throws a little slack' without a get even memory. Un-constrained anger, revenge and holding ill-will are hardly seen as professional behavior.

One who does not find pleasure in **doing wrong** but finds pleasure in **professional behavior**: Those who are saddened by the behavior of others who dismiss the law, regulations and standards. Who are encouraged and seek to encourage higher ideals of behavior in themselves and others. Indifference and apathy are rarely seen as being professional behavior.

One who **seeks to protect**: The laws, rules, regulations and standards that together create a Profession within which to operate. The Public whom they have been granted a licence to serve and through whom they make a living. Their fellow licencees who provide a vast pool of opportunity, knowledge and experience. Those whose behavior disregards and even harms the society within which they conduct their business would not be seen as professional.

One who **seeks to trust**: Who extends



trust and encourages trust, rather than suspicion and judgment. Who looks for the good before judging to be bad. Who seek to demonstrate trustworthy behavior in themselves even when not reciprocated. Few business dealings are worse than having to deal with someone you do not trust.

One who **always hopes**: An optimist, looking for the good in those around them. Who inspires, encourages and lifts those with whom they come in contact. A problem solver and solution finder. Few dealings are more discouraging than those with a pessimist who sees the grey in every situation.

One who **always perseveres**: Who keeps trying even in the face of difficulty or with little indication of success. Who 'keeps their head while all around them are losing theirs and blaming it on them'. Laziness, idleness or giving up would hardly be qualities to adopt in an effort to be more professional.

Thus to 'act professionally' is more a personal lifestyle choice that one seeks, rather than a list of standards one can attain for better business. It is neither something to claim of oneself nor something one will ever fully accomplish, and yet it is something one can pursue every day and in every area of one's life.

Certainly those of society considered to be Professionals can encourage professional behavior through instruction. Perhaps more importantly however they will lead by example, since they recognize that they too are still learning to be more professional in their own lives. Surely this is the essence of 'Self-Regulation'. In the words of Ghandi: 'Be the change you wish to see in the world'

In the real estate industry, as the legal

'leader' of every Brokerage, a Broker has the greatest opportunity to model and mentor such behavior to those they choose to represent their brokerage. In order to make that effort they must however be convicted in the value, both to themselves and to their brokerage. The 'what's in it for me' benefit of acting more professionally even when others are not doing so.

Fundamentally, professional behavior in every aspect of our lives (as Real Estate licencees, as marriage partners, as parents, as neighbors and as members of society), builds greater trust and confidence in those around us. Trust and confidence build stronger and more satisfying relationships, more referrals and ultimately a stronger business model.

After all:

If I can quote every line of the law, rules, regulations and bylaws, but do not present myself professionally, I am only an empty bag of wind with no real respect from those around me.

If I have all the awards and honored plaques mounted around my office wall, but do not present myself professionally, I stand on a lonely pedestal awaiting my fall.

If I give away all of my time, my energy and my commission, but do not present myself professionally, I will have nothing to show for my efforts.

A '*true professional*': Never something one should claim for oneself and never something one will ever fully attain - but the sweetest accolade that can be extended upon you.

**To share examples of your own experience of (lower case 'p') professionalism or to comment on this article please visit [www.recablog.ca](http://www.recablog.ca).**



# Changes to Licensing Reciprocity Policy – In Effect Now

Alberta residents who take mortgage and real estate licensing education courses in other jurisdictions are not eligible for reciprocity in Alberta. These individuals decide to complete their pre-licensing education in other jurisdictions and first become licensed there in order to sidestep Alberta's education requirements.

Only applicants who are from and carry on business outside of Alberta, and have a licence or qualify for a licence in that jurisdiction, are eligible to apply for reciprocity in Alberta.

The Real Estate Council of Alberta (RECA) is a strong supporter of the Labour Mobility Chapter 7 of the Agreement on Internal Trade (AIT) and the New West Partnership Trade Agreement (NWPTA). These agreements help remove any artificial barriers for workers to find jobs in other jurisdictions. They allow for the free movement of labour from one province to another without unjustified barriers from a provincial regulatory body. RECA is committed to the principles within Chapter 7, and recognizes the professional or occupation certification of industry professionals that hold a licence or qualify to hold a licence in other provinces and territories.

RECA has become aware of schemes where Alberta residents complete licensing education in jurisdictions where the education requirements are lower than in Alberta. Typically, they do this because of time and/or money. Courses in some jurisdictions are less comprehensive than Alberta's education program. RECA's program takes eight weeks and the other jurisdictions one week or less. Quality competency-based education with proper instructional and adult learning design, and delivery methods, takes significant resources. RECA's education program may be more expensive than some low cost courses in other jurisdictions.

"Province hopping" is the term we use to describe this practice. Province hopping is contrary to the spirit and intent of the AIT. These individuals are not seeking to move from another province to Alberta, but rather Alberta residents are circumventing Alberta requirements to obtain a RECA licence. These reciprocity requests do not facilitate labour mobility, which is the title and core purpose of Chapter 7 of the AIT. RECA is of the opinion this activity lowers consumer protection.



# Consumers and Mortgage Brokers to Benefit from New Tools

The Mortgage Broker Regulators' Council of Canada (MBRCC), Know Your Mortgage Risks & Responsibilities pamphlet and education materials, has practical information and important considerations about mortgages.

The MBRCC project to develop a pamphlet, as well as educational content for its website, is to ensure that Canadians in all provinces have access to a disclosure tool for mortgage brokers to give to their clients during their initial discussions. Consumers may access the information in advance of dealing with a mortgage broker. It will help ensure borrowers are knowledgeable from the outset, increase their financial literacy and help stimulate discussions with the broker.

The educational materials and types of information borrowers receive on mortgage risks and responsibilities vary from province to province. Given those differences, the MBRCC felt it was an area in need of further collaboration from the provincial mortgage broker regulators.

The MBRCC Licensing Information Tool (Tool) will help mortgage brokers identify and understand possible licensing requirements that may apply to mortgage brokering activities with elements in multiple provinces. The Tool will give general guidance for mortgage brokers and prospective mortgage brokers on the licence they require for transactions when the broker, borrower and/or property are in different provinces.

When using the Tool, you will receive information on the likely licensing requirements based on the parameters you selected in the Tool. In all cases, we recommend you contact the MBRCC member(s) from the province(s) selected in the Tool.

The MBRCC is an inter-jurisdictional association of mortgage broker regulators that seeks to improve and promote harmonization of mortgage broker regulatory practices to serve the public interest. Its members work together and with stakeholders to identify trends and address common regulatory issues through national solutions that support consumer protection and an open and fair marketplace. For more information on the MBRCC go to: [www.mbrcc.ca](http://www.mbrcc.ca)



# Coming Soon: Written Service Agreements – Consumer Information

Effective July 1, 2014, the Real Estate Council of Alberta (RECA) will require industry members who establish a client relationship when trading in residential real estate, property management, or when dealing in mortgages to enter into a written service agreement with that client. Written service agreements help ensure the role of an industry professional is clear, and when clients are better informed, there is less confusion and typically, fewer disputes.

In focus groups in late 2012 and through ongoing interaction with residential real estate professionals, RECA has heard they want RECA to take the lead on communicating the Rule change to consumers.

## Communication with Consumers

RECA has developed a comprehensive residential real estate consumer communication plan to create consumer awareness and understanding of the upcoming rule change, the requirement for industry professionals to use written service agreements and the benefits of written service agreements. The goals of this communication plan will be to provide plain-language information to consumers and media outlets about what written service agreements are, what they mean for consumers and the benefits of using a written service agreement so that consumers will be willing to enter into a written service agreement when a real estate professional presents one to them.

RECA's communication with consumers will be clear the requirement for written service agreements is a requirement of the governing body, RECA.

RECA's communication strategy will focus on providing consumers with just-in-time information; focusing on those consumers who are in transactions currently or who will be in the marketplace in the near future. All of the written service agreement information will be housed in a single visible location within the RECA website, and brokerages and individual real estate professionals will be encouraged to repost RECA's materials on their own websites.

Watch the RECA website in the coming weeks for consumer friendly written service agreement information and resources.





# The More You Know –

## Real Estate Update 2014

The feedback on the Real Estate Council of Alberta (RECA) launch of its *Real Estate Update 2014* course is positive. The course gives real estate industry professionals valuable information on:

- Flood hazard areas and how to use provincial flood hazard mapping to help their clients;
- Property titles, title registrations and how to use SPIN;
- Real Property Reports and Title Insurance; and,
- Advice to clients on property defects.

Real estate professionals who want to access the course information in the future can save or print the eBook available in each unit or through ongoing access to any RECA course after completion.

To access the eBook for a particular Unit in the course:

1. Log back into *Real Estate Update 2014*.
2. Click on the Unit for which you would like the eBook.
3. Click on the Resources tab located in the navy blue bar near the top of the screen.
4. Click on Unit eBook.

As the Unit eBooks are PDF versions of the online Units, you will need to have Adobe PDF Reader in order to view them. To download the latest version of Adobe PDF Reader, go to [www.adobe.com/reader](http://www.adobe.com/reader).

As of April 9, less than a month after its launch – more than 400 real estate professionals have completed the course and another 400 have enrolled.

Almost 70% of those who complete the course also complete the optional feedback survey and the results are overwhelmingly positive:

- 96.6% strongly agree or agree there was an increase in their awareness of industry issues and will help their real estate practice.
- 97.6% strongly agree or agree that the course activities gave them with an opportunity to apply their knowledge and skills.
- 94.8% strongly agree or agree that the course had the right mix of text, graphics, examples and activities.

*Real Estate Update 2014* is available online via RECA's [website](#). Any time, any place, any pace! The course will be mobile-friendly by May 1.

Enroll today and experience how it can help you provide competent, professional service to your clients. Real estate broker professionals must complete the course prior to renewal their registration in September 2014.



# Attention: Commercial Real Estate Brokerages

The Real Estate Council of Alberta (RECA) is seeking proposals from commercial real estate brokerages to represent RECA to assess our office needs and potential future solutions. To access the scope of services and other information to include in a proposal, click on the [link](#). The deadline for proposals is May 23, 2014.

## RECABlog Roll

Have you checked out the RECABlog lately? RECABlog addresses issues and trends that are important to those in Alberta's real estate, mortgage and appraisal sectors. Here are links to some of the most popular posts from the past few months.

### [When the Other Party is Unrepresented – A Script](#)

There's three things you need to get across to an unrepresented party. Make sure you know what those are.



### [Choosing the Model That's Right for Your Brokerage](#)

Designated agency makes a lot of sense for many brokerages, but not all. As a broker, do you know the things to think about when deciding whether to go designated?



### [Déjà vu – 2006 Lessons Learned?](#)

Remember 2006? Did we learn anything from that crazy time in Alberta's real estate market? Are you applying those lessons today?



# Certified Criminal Record Checks – Electronic Fingerprint Submission

As of July 1, 2014, the RCMP in Ottawa will no longer accept paper fingerprint submissions for the purposes of a Certified Criminal Record Check (CCRC). They will only accept electronically-submitted fingerprints. If you know someone entering the industry for the first time or who has been unlicensed for more than a year, it could change how they apply for a CCRC.

Individuals who need a CCRC from the RCMP before becoming authorized by the Real Estate Council of Alberta will have to have their fingerprints submitted electronically.

## **How can an individual ensure their fingerprints are submitted electronically?**

Go to an accredited private fingerprinting company or police service listed on the [RCMP's website](#) and have your digital fingerprints submitted electronically to the RCMP.

The fees for electronic fingerprint submission vary and must be paid by the applicant at the time the service is performed.

If you do not have access to one of the bodies that submits fingerprints electronically, you can submit paper fingerprints to an agency called [XL-ID Solutions](#) who will digitize your prints and electronically submit them to the RCMP.

# Real Estate Appraiser Update 2014 Course – Get Started Now!

All real estate appraisers must complete the current Real Estate Council of Alberta Re-licensing Education Program course, Real Estate Appraiser Update 2014, prior to renewing their licence in September 2014.

The course information will assist real estate appraisers and candidates in their everyday work by focusing on topics such as mortgage fraud, ethics and risk reduction. It engages learners through practical examples and activities presented with a mix of text, narration and graphics. Don't delay – get started today. Get the information that will help you better serve your consumers.

**AIC Members:** Completion of Real Estate Appraiser Update 2014 entitles [Appraisal Institute of Canada](#) designated members to 5 CPD credits towards their Continuing Professional Development Requirements.

**CNAREA Members:** Completion of Real Estate Appraiser Update 2014 entitles [Canadian National Association of Real Estate Appraisers](#) designated members to 5 hours towards their Continuing Education Program requirements.

Online enrollment is easy. Log on using your RECA ID. Go to [www.reca.ca](http://www.reca.ca) and click on RECA Education.

Learn and go. When you log off, your progress is saved until you return.



## **2013-2014 Council Members**

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KRISTA BOLTON  
Appointed from the public

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Appointed from non-AREA industry members

KEVIN CLARK, CHAIR  
Appointed from residential real estate industry members

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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](mailto:info@reca.ca)



Suite 350, 4954 Richard Road SW,  
Calgary, AB T3E 6L1  
Phone (403) 228-2954 - Toll-free  
1-888-425-2754  
Fax (403) 228-3065  
[www.reca.ca](http://www.reca.ca)

