

The Regulator

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Message From Council



Chad Griffiths,
Chair

Each year, at the July Council meeting, Council members review, discuss and ultimately approve a budget for the coming year. The budget approval process includes setting licensing and related fees for all licensed industry professionals.

There is no increase in licensing fees for 2015-2016; licensing fees are the same as they were in the 2014/2015 licensing year.

Council is committed to setting fees no higher than they need to be while ensuring RECA has the resources it needs to fulfill its regulatory mandate.

Some of the significant initiatives from this year's budget:

- financial resources

necessary to implement the regulation of condominium managers in accordance with the Government of Alberta's changes to the *Condominium Property Act* and the *Real Estate Act*

- extensive consultation for Council's next round of strategic planning, to begin in Fall 2015
- external third-party review of conduct proceedings, trust assurance, practice review, and licensing processes (you can read more about this project in this newsletter)
- continuation of digital marketing and consumer awareness initiatives
- re-development of the Advertising Guidelines
- enhanced practice courses within the Real Estate Associates Program (rural and commercial)

It's going to be an exciting year for Council and the industry as a whole as we move forward with strategic planning. As I said in my previous Regulator message, there will be extensive opportunities for industry professionals to weigh in and provide feedback. Watch for those beginning in the Fall. I hope each and every one of you recognizes the importance of this process – it's an opportunity for you to help guide our direction for the years to come.

Breaking New Ground

RECA Initiates Ground-Breaking External Review Process



Effective. Efficient.
Transparent. Accountable.
Values the Real Estate
Council of Alberta (RECA)
believes in.

With these values in
mind, RECA launched an
independent, external
process review to
evaluate our policies,
procedures and decision-
making.

RECA turns 20 next year,
and processes, policies,
even the industries
we govern have
changed considerably
during that time. What
hasn't changed is
our commitment to
continuous improvement.
That commitment is
reflected in the upcoming
external, independent,
process review. RECA is
not aware of any other
Canadian professional
regulator that has
undergone a similar
initiative.

A law firm with expertise
in professional regulation
and administrative law
will lead the external
process review project.
They'll be able to give us
an outside perspective on
our licensing, conduct and
practice review processes,
and recommend changes
if necessary.

This review will help us:

- ensure our policies,
procedures and decision-
making processes are fair,
impartial, timely,
consistent,
protect the public
interest,
and follow the self-
regulatory model
- review the entire
organizational model, its
decision-making roles
and
departmental oversight
- ensure consistency in
approach to all cases,
regardless of department
- determine when we
shouldn't start abandon
conduct proceedings or
other action

RECA wants to find
out the degree to
which it meets its own
organizational values of
efficiency, effectiveness,
transparency,
accountability,
consistency, timeliness,
right touch regulation,
due process and legal
integrity. The legal
experts' work will include
a review of RECA policies
and records, as well as
interviews with RECA
staff, to determine how
staff follow policies on a
daily basis.

At the end of the external
process review, RECA will
share the results.

We're looking forward
to the review. We are
prepared to undertake
new, ground breaking
initiatives to ensure we
are the best we can
be. RECA strives for
excellence, not just from
industry professionals
– but from ourselves.
This process review is an
important part of that.



Recommending Service Providers

It's not about how many, it's how

You're a licensed, competent industry professional. This is why consumers hire you to help them get a mortgage or buy and sell property, and why they ask you for recommendations on other related service providers, including tax specialists, moving companies and real estate lawyers.

Real estate professionals: you probably have mortgage brokers you recommend. Mortgage brokers: there are probably certain real estate professionals you recommend.

But can you?

Should you?

Some industry professionals think they can only provide the names of other service providers if they provide a list of three names. While others think they can only provide the name of one.

The fact is, neither is completely true.

The issue isn't how many you recommend, but how you make the recommendation.

Possible liability issue

There is always a chance that someone you recommend will provide sub-standard service, which may put you at risk for liability. Recommending three rather than one doesn't necessarily protect you from liability, no specific number does. But there are ways to make recommendations that will help reduce the chance of you becoming liable.

You need to balance the liability issue with the desire to provide exceptional service to clients. And there's ways you can do that.

It starts by ensuring that any person you want to recommend is licensed (if necessary) in their industry. You should also know enough about them to know their qualifications and competence and you should really only refer clients to the best service providers you know. That may mean you have to do a bit of research yourself before making any recommendation.

The way you make the recommendation is also important. It's probably not enough to simply give them a name and a phone number.

- Have a conversation with them; tell them your experiences with the service provider in question, but also indicate that you can't guarantee the services they will provide.
- Suggest that your client does their own research and maybe interview or talk to a few before hiring someone. A lot of professionals have their own websites that

include testimonials from past clients; suggest your client check those out before making a choice.

- Make sure you document the discussion you had with your client when making such a recommendation. All of these things will help you balance possible liability with your desire to help and provide service to your clients.

On referral fees

Sometimes industry professionals provide referrals to other service providers and receive compensation for doing so. These referrals are different than recommendations as you're actually providing your client's name and contact information to another service provider.

If you're providing referrals and receiving compensation, you need to disclose this information to your client and get their consent in writing before proceeding. Keep in mind also that receiving compensation for providing a referral could increase your liability in the event that the person to whom you are referring a client provides sub-standard service.



Renewals are open early for brokers

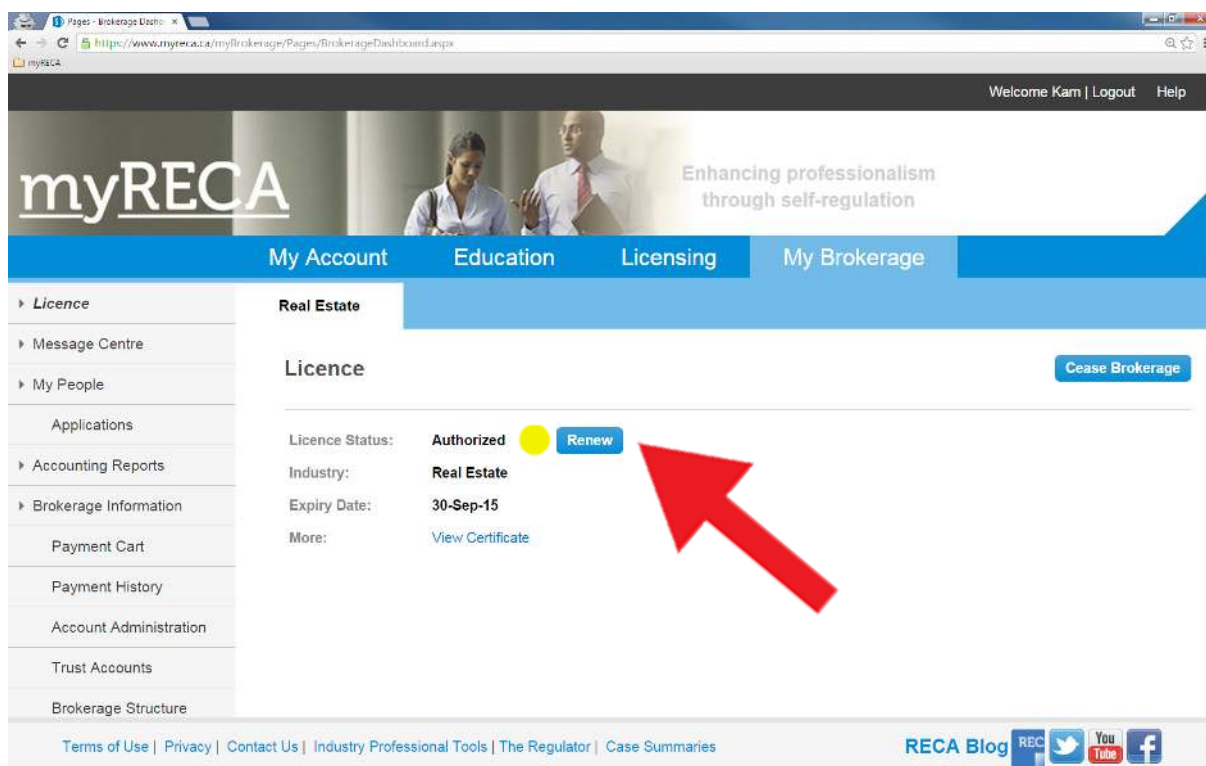
This year, RECA opened the renewal period early for brokers. **Right now**, brokers who have updated their myRECA accounts can renew their brokerage licence and their own registration. If you have yet to update your account to the new myRECA, click [here](#) for more information. You cannot renew until you update your account.

Renewals will open for **associates, associate brokers and real estate appraisers on August 17, 2015.**

Remember, none of your associates/associate brokers can renew until the brokerage does, so RECA recommends brokers renew their brokerage as early as possible.

In the new myRECA the process is easier than ever and completely paperless. And, to make things even simpler, brokers now renew their own licence and their brokerage's simultaneously, in a single online application.

To get started, log in to www.myreca.ca and go the My Brokerage tab. You'll notice your authorization light is yellow and you can see a button to renew. When you're ready, click the button.



All you have to do is follow the on-screen instructions. You need to:

- review your personal and brokerage information
- indicate any unreported brokerage amendments
- answer a question concerning condominium management services
- select your level of broker ownership
- answer the suitability questions on behalf of yourself and your brokerage
- give your acknowledgements and declaration
- pay the licensing fee

If you have all 'No' answers in the suitability questions and you've paid your fees, you and your brokerage are automatically renewed. It's that easy!

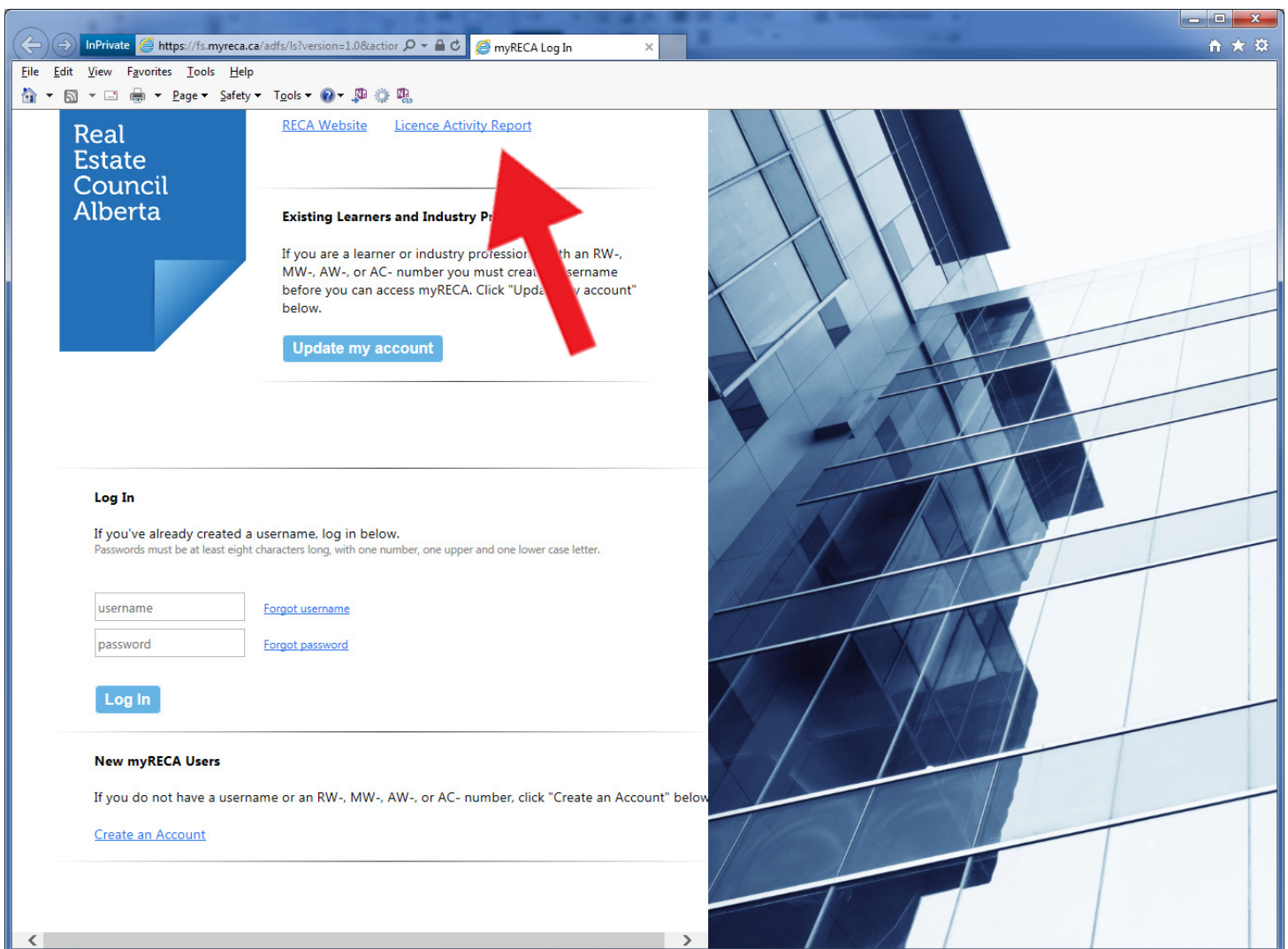
RECA has tutorials for many myRECA processes, including [renewals](#).

New and Improved Licence Activity Reports

When RECA launched the new myRECA system on June 22, it stopped sending weekly licence activity reports by email to industry professionals.

The new and improved licence activity reports are now available through myRECA. You no longer have to wait for a weekly email, you can review a current report at any time.

Access them from the link at the top of www.myreca.ca without even logging in. And if you're already logged in, the link for the reports is in your Licensing tab.



The screenshot shows a web browser window with the URL <https://fs.myreca.ca/adfs/ls?version=1.0&action>. The page features the Real Estate Council Alberta logo on the left. At the top, there are two links: [RECA Website](#) and [Licence Activity Report](#). A red arrow points to the [Licence Activity Report](#) link. Below the links, there is a section titled "Existing Learners and Industry Professionals" with a sub-heading "Existing Learners and Industry Professionals". The text reads: "If you are a learner or industry professional with an RW-, MW-, AW-, or AC- number you must create a username before you can access myRECA. Click 'Update my account' below." There is a blue button labeled "Update my account". Below this is a "Log In" section with the text: "If you've already created a username, log in below. Passwords must be at least eight characters long, with one number, one upper and one lower case letter." There are input fields for "username" and "password", each with a "Forgot" link below it. A "Log In" button is at the bottom of this section. Below the "Log In" section is a "New myRECA Users" section with the text: "If you do not have a username or an RW-, MW-, AW-, or AC- number, click 'Create an Account' below." There is a "Create an Account" link.



RECA Launches New Real Estate Practice Courses

The Practice of Commercial Real Estate and the Practice of Rural Real Estate are now available from RECA Education. These are offline, distance delivery courses that include a comprehensive manual and final exam.

RECA collaborated with the Saskatchewan Real Estate Commission (SREC) to provide Alberta learners these courses until we develop our own.

If you wish to enroll in either course, you must first update your myRECA account.

If you have questions about the course or want help updating your myRECA account, please email education@reca.ca or call RECA Education at 403-228-2954 or 1-888-425-2754.



2014-2015 Council Members

KRISTA BOLTON, CHAIR-ELECT

Appointed from the public

BILL BUTERMAN

Appointed from non-AREA industry members

KEVIN CLARK, PAST-CHAIR

Appointed from residential real estate industry members

TONY DHALIWAL

Appointed from the public

JOHN FARMER

Appointed from the real estate appraisal sector

CHAD GRIFFITHS, CHAIR

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

RECA Management

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Executive Director

KIRK BACON

Deputy Executive Director

DALE CAWSEY

Director of Corporate Services

JOSEPH FERNANDEZ

Registrar

JEAN FLANAGAN

General Counsel

CHARLES STEVENSON

Director of Professional Standards

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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