Real Estate Council of Alberta
An introduction
Welcome

At the heart of Alberta’s real estate industry is an organization where people work cooperatively and proactively to make things better, for the industry as a whole and for consumers across the province. Committed to finding the balance between a need for individual freedoms and the prevention of harm, we are guided by our commitment to integrity, mutual respect, transparency, professional standards, collaboration and communication.

As the governing body for Alberta’s real estate brokerage, mortgage brokerage, property management and real estate appraisal professionals, the Real Estate Council of Alberta (RECA) is committed to the public interest, by promoting the integrity of the industry and protecting consumers.

We invite you to find out more about us, our authorized industry professionals, our focus on consumer protection and the ways in which we are working to ensure the future strength and professionalism of Alberta’s real estate industry.
Mr. Myroniuk has served as RECA’s Executive Director since its inception on July 1, 1996. Under his leadership, Alberta’s real estate governing body has made self-regulation work for consumers and Alberta’s 15,000 real estate brokerage, mortgage brokerage, property management and real estate appraisal professionals.
Alberta’s real estate industry is one of the strongest and most dynamic in Canada. It is a crucial driver of the province’s vibrant economy and it, along with its regulated professionals, touches everyone who lives and works in this province.

Alberta is one of only a few jurisdictions in North America with a fully self-regulated real estate industry, fully funded by industry professionals. The move from government regulation to self-regulation in Alberta came from a desire for more effective consumer protection and a drive from within the industry for greater professionalism - a drive that remains today.

The Real Estate Council of Alberta (RECA) is the independent governing authority that sets, regulates and enforces standards for real estate brokerage, property management and real estate appraisal professionals in Alberta.

There are multiple ways RECA serves the best interests of industry and consumers. This includes investigating complaints, conducting disciplinary hearings and implementing initiatives to improve the practice of real estate brokerage, mortgage brokerage, property management and real estate appraisal in Alberta.

It continually scans the industry and regulatory environment to stay informed and to identify emerging issues. It engages with industry professionals and stakeholders, seeking comments and feedback through advisory committees, discussion papers, consultations and surveys. Information-based decision-making is supported by research. RECA’s commitment to two-way communication is seen with consumers as much as with industry professionals. Key consumer issues include consumer rights and the standards they can expect when working with industry professionals. RECA provides consumers with quality unbiased information for a positive real estate experience.

Council consists of 12 members, chosen from residential and commercial real estate, property management, mortgage brokerage, real estate appraisal, and the public. In order to protect consumers, Council:

• Sets and enforces standards of conduct for the industry and the business of industry professionals;
• Promotes the integrity of the industry;
• Protects against, investigates, detects and suppresses mortgage fraud as it relates to the industry;
• Provides services and other things that enhance and improve the industry and the business of industry professionals;
• Administers the Real Estate Act and related industry standards.

An administrative staff, led by the executive director, assists Council in fulfilling its duties.

As an innovative and agile organization, RECA works proactively in the areas of education, technology and professional standards. One of our strengths is our people. With vast experience across the full spectrum of the real estate industry as well as unique expertise in real estate regulation and professional training, our team are leaders in the field.

RECA is recognized internationally as a leader, and has received awards from a variety of international association for regulatory excellence, communication and investigations. The Alberta Government awarded RECA the Alberta Consumer Champion award for its consumer information resources. It is also a founding member of national real estate and mortgage broker regulator bodies, and of the Foundation of Administrative Justice in Alberta.

RECA has built a foundation for a self-regulated real estate industry in which professionals can be proud and consumers can trust. It sets, delivers and upholds consistently high standards. RECA measures success by the level of respect, trust and confidence afforded to our industry professionals and the positive experience of consumers.

“What does it mean to be the authority behind a profession? To the Real Estate Council of Alberta, and to its regulated industry professionals, it means there is an organization in place that knows the industry; it’s an organization that knows how to effectively and transparently govern and regulate the conduct of industry professionals; and, it’s an organization that will undertake disciplinary activities when necessary.”
Looking after the public

The Real Estate Council of Alberta (RECA) is focused on the public interest. It is an independent body that is fair, transparent and accountable and it follows a model of regulation that reflects the evolution of professionalism within the real estate industry. RECA is committed to ongoing communication with consumers about the real estate industry in Alberta, the rights consumers have and the standards they can expect when working with licensed industry professionals.

Consumer protection requires more than just information. It requires a system of checks and balances, and additional protective measures. This section contains information about how RECA looks after the public interest.

Information services and consumer materials

RECA’s Consumer and Industry Services staff are the primary source of information for consumers. They provide independent, neutral and credible information. These frontline, consumer-facing employees answer questions and provide general information relating to trades in real estate, dealings in mortgages, property management services and real estate appraisal.

Consumers also have access to extensive industry information through the RECA website at www.reca.ca. The RECA website has a portal specifically dedicated to consumer information, including how to choose and work with an industry professional, information on commissions, mortgage fraud prevention and awareness, title insurance, incentives, multiple offers, financial literacy, and much more. Consumers can also use the “Search for an Industry Professional” function on RECA’s website to find the licence status and history of Alberta industry professionals.

RECA encourages consumers to review its comprehensive consumer guides. There are guides for the buying process, selling process, working with industry professionals, the complaint and investigations process, and more. Consumers can access these guides through www.reca.ca.
Complaint and conduct review processes

Consumers sometimes find themselves wanting to make a complaint to RECA about the conduct of a licensed industry professional – or about someone who was acting as a licensed industry professional, but who was not licensed.

RECA’s first step is to review a complaint to determine whether it falls within its jurisdiction and if there is sufficient evidence of wrongdoing. If so, RECA will begin the formal conduct review process. A conduct review is essentially an investigation carried out by RECA Professional Conduct Review Officers (PCROs). The role of PCROs is to gather all the facts carefully, fairly and objectively.

After a professional conduct review, RECA may initiate disciplinary proceedings (professional conduct proceedings). RECA’s disciplinary processes take place in compliance with the Real Estate Act, and the principles of natural justice and fairness. They are transparent and respectful of a consumer’s and an industry professional’s legal rights. More information about RECA’s disciplinary process can be found in page 10-11 of this brochure.

Consumer protection fund

RECA administers the Real Estate Assurance Fund, which is also known as the Consumer Protection Fund. The fund protects consumers from unscrupulous industry professionals. It compensates those who suffer a financial loss as a result of fraud or a breach of trust or a failure to disburse or account for money held in trust by an industry member in connection with a trade in real estate or deal in mortgages.

Errors and omissions insurance

All industry professionals are required to have errors and omissions insurance. Also known as professional liability insurance, errors and omissions insurance provides coverage if a consumer suffers a financial loss as the result of an industry professional performing their duties negligently.

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Alberta’s only licensing authority

Review of eligibility. Comprehensive pre-licensing education. Assessment of suitability. These are three of the ways in which the Real Estate Council of Alberta (RECA) uses its licensing processes to ensure real estate, mortgage brokerage, property management and real estate appraisal professionals will be able to work competently and professionally, providing services to consumers across Alberta.

Licensing is the foundation on which much of the RECA’s other work is built. Ensuring the integrity of the licensing process for real estate brokerage, mortgage brokerage, property management and real estate appraisal professionals is at the core of everything RECA does.

Complete pre-licensing education

Pre-licensing education differs for each industry sector, but the one constant is its comprehensiveness. RECA’s pre-licensing education programs contain regulatory information and the practice elements that provide potential industry professionals with the opportunity to demonstrate their knowledge and competence. To read more about RECA’s pre-licensing education programs, flip to pages 12-13 in this brochure.

Assessment of suitability to enter the industry

As the regulatory body for the industry, RECA has a responsibility to verify the identity and background information of individuals who apply for a licence to ensure only ethical practitioners are licensed. Fundamentally, RECA exists, in part, to protect consumers; confirming an individual’s identity and background prior to them joining the profession is an important building block. RECA requires all applicants to provide a certified criminal record check prior to becoming licensed. A Certified Criminal Record Check is a fingerprint-based criminal record search.

Submit an application for licensing

RECA licensing applications contain questions that require applicants to disclose past disciplinary history, criminal charges, judgments and bankruptcies. RECA staff carefully review these applications to evaluate those who are joining the industry.

The licensing process requires individuals to:

Meet eligibility criteria

All individuals who wish to join the real estate industry must meet eligibility criteria. This includes:

- Being a Canadian citizen, having a Permanent Resident Card or a Work Permit.
- Being at least 18 years of age.
- Having a Canadian high school diploma or equivalent.
- Being proficient in the English language.

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Register with a brokerage

Once real estate, mortgage and property management professionals have completed the required pre-licensing education, they need to register with an existing brokerage; essentially this means they have to find a broker to hire them. It’s at that time that they apply to RECA for their authorization to become industry professionals.

Alberta’s real estate appraisal sector is not structured with brokerages. Once an individual has completed the pre-licensing real estate appraisal education and met other eligibility requirements, they apply for a licence with RECA and they begin working as real estate appraisal professionals.

RECA’s licensing process is only the first step in evaluating competence and suitability. RECA also has programs and policies in place that ensure industry professionals continue to meet the high standards in place. In order to remain licensed, industry professionals must:

Conduct business in accordance with the standards set in the Real Estate Act and Rules: RECA will investigate when an industry professional has allegedly breached the Act, Rules or related industry standards.

Complete re-licensing education: RECA creates courses for the Re-Licensing Education Program (REP) for each industry sector. When there is a REP course offered, every industry professional must complete it before they can renew. REP courses focus on the issues that have changed since the last REP course, including legislative amendments, emerging issues affecting the industry and consumers, legal updates, risk reduction techniques, and other compliance and regulatory issues.

Apply to renew annually: Real estate brokerage, mortgage brokerage, property management and real estate appraisal professionals go through a renewal process every year. When applying to renew, RECA re-evaluates industry professionals’ ongoing suitability. Not being truthful on the renewal application is a serious offence and results in disciplinary proceedings by RECA.

“RECA also has programs and policies in place that ensure industry professionals continue to meet the high standards in place.”
The authority behind the real estate profession

The Real Estate Council of Alberta (RECA) enforces the standards it sets through a transparent complaints and investigations process. When industry professionals do not meet the standards or when they breach legislation, RECA takes action.

RECA begins its conduct review process when it receives a complaint about an industry professional or about someone who is pretending to be an industry professional, but isn’t licensed. RECA’s team of Professional Conduct Review Officers review all complaints, and if the complaint falls within RECA’s jurisdiction, it will begin a conduct review.

Conduct reviews involve interviewing those involved in the matter, and reviewing the documents, contracts and agreements that are available.

If there is sufficient evidence of wrongdoing, RECA can begin disciplinary processes that can range from letters of reprimand up to and including a hearing where a panel of Council members and industry peers hear the evidence and decide whether the industry professional’s conduct should be sanctioned. This transparent process allows for complainants and the industry professional involved to offer evidence and to appeal any decision that is ultimately made.

RECA’s disciplinary processes protect the public while respecting the balance that needs to exist between a need for individual freedoms and the prevention of harm. RECA’s conduct review procedures are fair and timely, and result in the recommendation of appropriate solutions that can include licence suspensions or cancellations, fines of up to $25,000, payment of costs and completion of educational requirements. Above all else, RECA strives for “right touch” regulation; it is committed to being consistent, proportionate, effective, transparent and timely.

As much as possible, RECA focuses on providing information, advice and suggestions for change in future behaviour. For example, RECA’s trust assurance and practice review program proactively provides positive, constructive assistance to brokers and real estate appraisers with respect to accounting and legislative requirements. The primary goal of the trust assurance and practice review program is education not discipline.

That said, RECA will use the full range and level of sanctions available in its overall strategy to obtain industry compliance and protection of consumers. When it is appropriate to do so, it will encourage consumer complaint resolution through the real estate professionals and brokerages that provided the services that led to the complaint.
“Above all else, RECA strives for ‘right touch’ compliance and enforcement; it is committed to being consistent, proportionate, effective, transparent and timely.”
Raising the bar

The Real Estate Council of Alberta (RECA) offers flexible, engaging and current education programs for learners. It is committed to offering education programs that provide the regulatory foundation and practice elements that will serve industry professionals – and consumers well.

Education

RECA takes an active role in licensing and re-licensing education. It now offers pre-licensing education in each of the industry sectors it governs: real estate brokerage, mortgage brokerage, property management and real estate appraisal. RECA’s education programs and courses provide a quality experience for learners to prepare them for a career in their particular sector of the real estate industry.

While the specifics of the pre-licensing education programs differ in each sector, all RECA Education programs share a number of common threads.

RECA has a set of core values for its education initiatives. These core values reflect the desire to have education programs that prepare learners to join their chosen profession and work competently, ethically and professionally with consumers – while providing them with the learning environment and opportunities that work best for them.

Keeping these core values at the heart of course design and development ensures that RECA offers education from which industry professionals, and potential industry professionals, can benefit the most.
RECA also partners with industry associations to develop pre-licensing education programs. RECA recognizes the knowledge and experience that exists within industry associations, and sees collaboration as an excellent opportunity to enrich and enhance the available learning opportunities.

RECA education programs focus on helping learners succeed by providing flexible, accessible, convenient and self-paced learning opportunities. This is “anytime, any place, any pace” approach is achieved through e-learning and complemented by a full-time Help Desk. **Ongoing education**

RECA demonstrates its commitment to continual improvement, competence and professionalism through its Re-licensing Education Program (REP). Industry professionals are required to complete periodic REP courses prior to renewing their annual authorization. RECA determines REP topics and course frequency based on its experiences and the feedback it receives from its advisory committees and industry associations.

REP courses reflect consumer protection and other issues affecting the business of industry professionals. REP courses strive to be timely and relevant for industry members and to protect the public interest. RECA keeps REP courses available to learners who have already completed them as the course content can serve as another resource for industry professionals that will improve their competence, their knowledge and their professionalism.

RECA’s core education values reflect the desire to have education programs that prepare learners to join their chosen profession and work competently, ethically and professionally with consumers – while providing them with the learning environment and opportunities that work best for them.
The Real Estate Council of Alberta (RECA) wants to make things better for industry professionals and consumers; better services, more resources, better practice and communications. It does so through a spirit of innovation, cooperation and transparency – to make the real estate and RECA experience not simply better, but great.

RECA provides a comprehensive range of information and support services designed to assist industry professionals in meeting industry standards and providing services to the public. It uses technology and multiple communication channels to deliver information and services to industry professionals and consumers on a timely basis.

Resources Available
RECA’s role in ensuring industry professionals remain competent and professional continues as long as the individual remains licensed, and RECA has committed significant resource to the development of tools and materials that focus on legislative compliance, competent practice and professionalism. Likewise, RECA has a tremendous role to play in ensuring consumers have a ready source of credible, independent and clear information about Alberta’s real estate industry and the professionals within it.

Practice Tips
RECA’s website has dozens of Information Bulletins and Practice Tips.

RECA created the position of Real Estate Practice Advisor in early 2012, and the Mortgage Broker Practice Advisor in 2017. The Practice Advisors are available to respond to questions from brokers and broker delegates with practical, timely information, guidance, and advisory services to support them in their responsibilities and duties.

Guides for Industry Professionals and Consumers
RECA has a variety of comprehensive guides for industry professionals and consumers. The guides help industry professionals meet and uphold the standards in place, and cover everything from advertising rules to specific practice questions, including those relating to representing consumers.

RECA’s guides for buyers and sellers focus on working with industry professionals, and outline what they can expect during the buying or selling process. RECA consumer articles outline aspects of buying or selling property that consumers may not consider until it happens to them, such as multiple offers, title insurance, conditional sales, and much more. And, if consumers ever need to access RECA’s complaint and disciplinary process, there are clear guides to help them navigate that process. These guides and articles are clear, comprehensive, credible, and independent.

RECA also offers resources on detecting and preventing mortgage fraud, and on financial literacy, and it’s a proud participant in Fraud Prevention Month and Financial Literacy Month each year.

Consumer and Industry Services
Staff within RECA’s Consumer and Industry Services unit are the primary source of information for industry professionals and consumers. They provide quality unbiased information that is based on the Real Estate Act, Real Estate Act Rules and Bylaws, the standards of practice for industry professionals, and general information relating to trades in real estate, dealings in mortgages, property management services and real estate appraisal.
For more information on all aspects of the Real Estate Council of Alberta, its mandate, its people and its services, or Alberta’s real estate industry and its authorized professionals, please visit RECA’s website at:

www.reca.ca.

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