Residential Measurement Standards (RMS) Improvements
1. Real estate licensees must use the RMS.
2. Identify if the measurement system is metric or imperial, and apply it consistently. Measurements must be calculated to within 2% of the RMS size.
3. For detached properties, measure the property using the exterior wall at the foundation.
4. For properties with common walls, such as half-duplexes, townhouses, and apartments, measure the interior perimeter walls (paint-to-paint) at floor level. An additional area representation may be made assuming exterior measurements.
5. Include floor levels that are entirely above grade and exclude floor levels if any portion is below grade. Below grade levels may be measured, but the area must not be included in the RMS area.
6. Include all additions to the main structure and conversions if above grade areas within the structure if they are weatherproof and suitable for year-round use.
7. The property must have a minimum floor-to-ceiling height of 2.13 metres (7 feet). If the ceiling is sloped, the area with a floor-to-ceiling-height of at least 1.52 metres (5 feet) is included in the RMS area, provided there is a ceiling height of 2.13 metres (7 feet) somewhere in the room.
8. Include extensions from the main structure that have a minimum floor-to-ceiling height of 1.5 metres (5 feet), such as cantilevers, bay and bow window, and dormers.
9. Exclude open areas that have no floor, such as vaulted areas.
The Principles have been revised as follows:

3. For detached properties, measure the property using the exterior wall at the foundation.

4. For semi-detached and townhouse properties, measure the property using the exterior wall at the foundation. If the thickness of the demising wall(s) cannot be determined the thickness of an exterior wall shall be used.

5. For apartment style condominiums, measure the interior perimeter walls (paint-to-paint) at floor level. An additional area representation may be made assuming exterior measurements.
Licensees trading in residential real estate must enter into written service agreements with Buyer clients. Drivers to execute include advice, advocacy, release of confidential information.

A variety of relationships can be offered to buyers:
- Fully exclusive
- Exclusive with conditions
- Non-exclusive
- Customer status
Actions that lead to Sanctions tend to fall into several main issues:

- Poor communications
- Lack of written contracts, amendments, etc.
- Lack of disclosure
- Not keeping clients informed
- Fraud

Penalties/sanctions:

- Advisory note – not an official sanction
- Letter of reprimand
- Fines
- Hearing costs
- Requirement to take education
- Suspension of licence
- Termination of licence – permanent – Section 54
<table>
<thead>
<tr>
<th>Complaint Type</th>
<th>2020-2021</th>
<th>2021-2022</th>
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<tr>
<td>Refused</td>
<td>683</td>
<td>980</td>
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<tr>
<td>Alternative Resolution Post-Investigation</td>
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<td>12</td>
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<tr>
<td>Discontinued</td>
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<td>66</td>
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<tr>
<td>Insufficient Evidence Found</td>
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<td>113</td>
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<td>Letter of Warning (Unauthorized Practice)</td>
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<td>12</td>
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<td>Advisory Note Issued</td>
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<td>Letter of Reprimand Issued</td>
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<td>Administrative Penalty Issued</td>
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<td>Sent to Conduct Proceedings</td>
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<td><strong>Total</strong></td>
<td><strong>1,238</strong></td>
<td><strong>1,423</strong></td>
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Sanctions that do not affect consumers will no longer be published.

For example, this would include administrative penalties for not reporting a personal bankruptcy.
Representing Sellers

- Obtain condo docs in advance, on listing:
  - By-laws
  - Meeting minutes
  - Financials
  - Reserve Fund Plan

- The only docs that should be sourced at time of accepted offer are the estoppel certificate and information sheet
- Read the docs to understand the issues
- Discuss concerns with the seller

Representing Buyers

- Know the issues that are important to your buyer (Pets for example)
- Allow for enough time to obtain and review docs
The Real Estate Council of Alberta is in the process of a broad review of all the Rules for all industries that RECA regulates.

This is the first significant Rules review since 2006.

RECA will be looking for feedback from licensees, related organizations and the public in the various stages of the review.

Your feedback is extremely important to the Rules Review Steering Committee.
Governance Structure

Board
3 Public Members
4 Licensees – 1 appointed by each Council

- Residential Real Estate Broker Industry Council
- Commercial Real Estate & Commercial Property Management Industry Council
- Mortgage Broker Industry Council
- Residential Property Manager Industry Council

Each Council has two government appointed public members and three Industry Members elected by licensees that practice in that sector.
Questions?

Stakeholder Engagement Manager
Kristian Tzenov