

# Residential Measurement Standards (RMS) Improvements



# Current RMS Principles



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.



# RMS Improvements

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.**

# Buyer Representation Agreement



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



# Discipline Cases

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



## Complaints Received and Outcomes

	2020-2021	2021-2022
Refused	683	980
Alternative Resolution Post-Investigation	2	12
Discontinued	79	66
Insufficient Evidence Found	127	113
Letter of Warning (Unauthorized Practice)	39	12
Advisory Note Issued	100	107
Letter of Reprimand Issued	88	56
Administrative Penalty Issued	107	51
Sent to Conduct Proceedings	13	26
Total	1,238	1,423

A woman with long dark hair is sitting at a wooden table, looking down at a laptop. She is wearing a light-colored sweater under a tan jacket. On the table, there is a white cup of coffee, a saucer, and a small plant. The background is softly blurred, showing more of the table and some greenery. The entire image has a warm, orange-toned overlay.

# Sanction Change

Sanctions that do not affect consumers will no longer be published.

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

# Condo Selling Issues

## 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



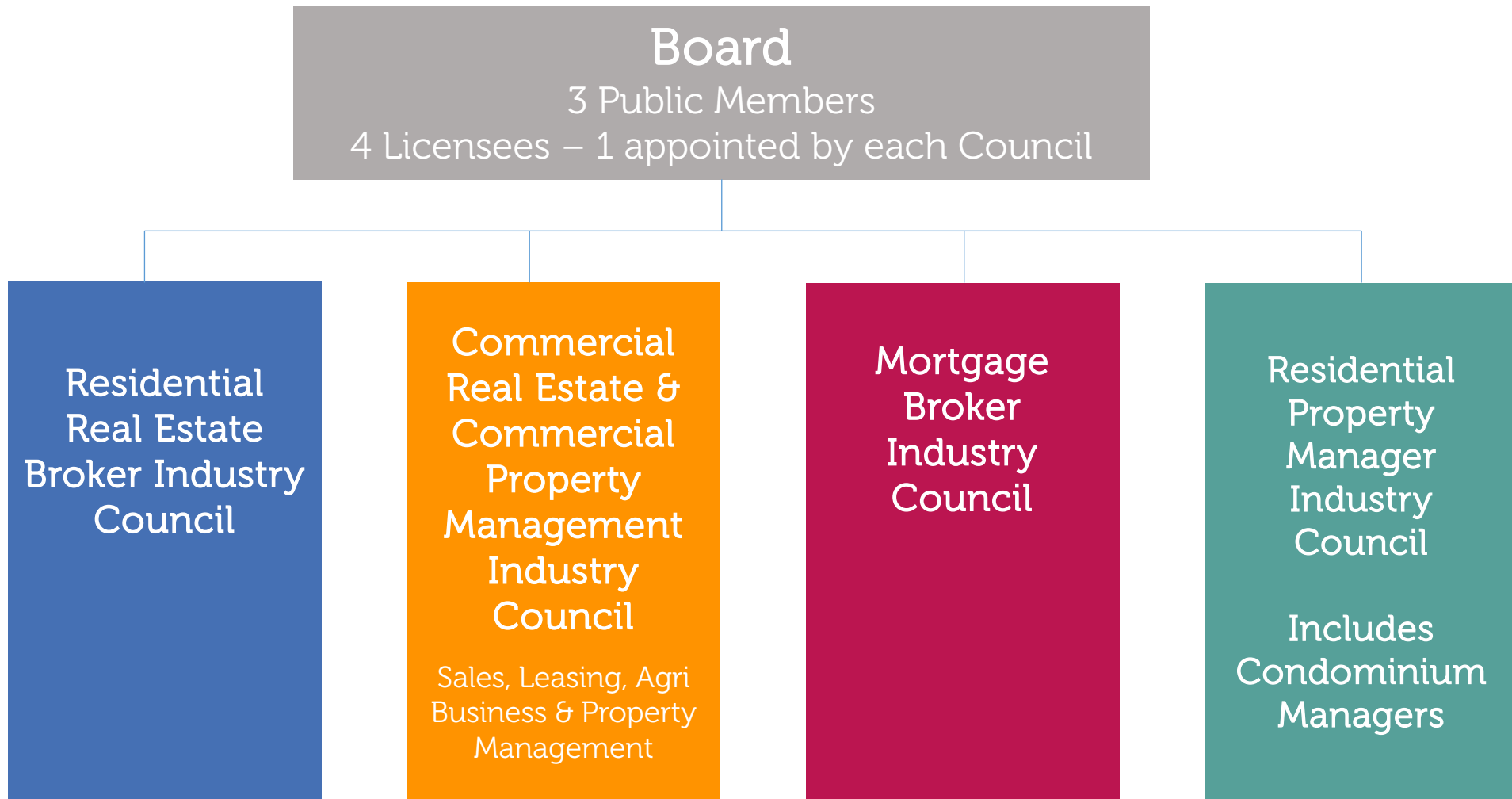


# Rules Review

- 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



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



A close-up photograph of a hand with the index finger pointing towards the viewer. Overlaid on the hand and the background are three white-outlined squares. The first square is empty, the second contains a checkmark, and the third is empty. The background is a blurred grey surface.

# Questions?

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