

ASSISTANTS – MORTGAGE BROKERAGE

Purpose: This bulletin explains the responsibilities mortgage brokerage professionals have regarding unlicensed assistants and the tasks these assistants can and cannot perform.

This bulletin applies to all mortgage broker professionals.

An individual must hold a licence issued by the Real Estate Council of Alberta (RECA) to deal in mortgages. An unlicensed assistant does not hold a licence to deal in mortgages and you must restrict their activities to administrative tasks and tasks that do not require a licence.

Mortgage brokerage professionals employing unlicensed assistants must:

- assign tasks that does not require a mortgage broker licence and tasks they are competent to perform
- ensure the unlicensed assistant discloses to all other persons they are an assistant and do not hold a mortgage broker licence
- ensure the broker is aware of your unlicensed assistants
- comply with brokerage policy and procedures for unlicensed assistants
- ensure the broker gives their written consent to hire your unlicensed assistant
- ensure the brokerage privacy policy and documents allow consent for your unlicensed assistant to have access to client confidential information. If the unlicensed assistant is a brokerage employee, privacy consent is through the brokerage consent.
- ensure the brokerage has a confidentiality agreement and signed by your unlicensed assistant
- ensure there is a written agreement outlining the assistant's job description and remuneration formula with a copy in the brokerage files

Tasks unlicensed assistants may do (under mortgage broker or associate supervision):

- answer and forward calls
- submit applications/supporting documents to lenders
- write ads for approval and place them with the media
- manage and update website
- prepare promotional information and materials for approval
- record and deposit trust money, mortgage payments and other brokerage funds
- type mortgage contract forms for approval

- compute the amount of commission cheques to be paid
- act as a courier for delivery of documents, etc.
- schedule appointments for the mortgage broker
- set up files
- give out a business card that states they are unlicensed assistants
- attend meetings with brokerage clients with mortgage broker
- perform bookkeeping functions
- obtain and compile information regarding mortgage applications
- research underwriting information for review
- follow-up on building reports, real property reports, land title searches, environmental reports, etc.
- make phone calls to collect any mortgage related payments only under the supervision of a mortgage broker
- accept mortgage payments and other funds that have been negotiated by their employer or are under brokerage administration
- ensure assistants only “pull credit reports” after the brokerage receives permission from the borrower

Unlicensed mortgage assistants must not:

- inform the public regarding their employer’s services
- solicit a person to borrow money to be secured by a mortgage
- solicit a person to lend money to be secured by a mortgage
- negotiate any mortgage transaction
- underwrite any mortgage
- collect mortgage payments or administer a mortgage unless under the direct supervision of a mortgage broker
- buy, sell or exchange mortgages or offer to do so
- hold themselves out as a mortgage broker
- give advice/opinions on mortgage lending or any mortgage applications
- answer questions regarding the suitability of mortgage products
- answer questions/offer opinions on applicant’s ability to qualify or have a lender approve them for a loan
- place promotional materials/ads without a mortgage broker’s review and approval
- answer questions from public about mortgage rates, terms, conditions, fees or other mortgage related matters
- discuss/explain any mortgage or real estate documents with the public
- negotiate/agree to any commission, management or referral fees

- *Real Estate Act* - section 17
- *Real Estate Act Rules* - sections.46, s.44, s.51 (1)(c) and s.67

INFORMATION
BULLETINS

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