



Ministry of
Finance

REVIEW OF THE ROLE OF MANAGING BROKERS IN BC'S CHANGING REAL ESTATE LANDSCAPE

October 2019

SUMMARY OF REGIONAL ENGAGEMENT SESSIONS WITH MANAGING BROKERS

Contents

- Introduction 3
 - Topic 1: Supervision 5
 - Context..... 5
 - Discussion Highlights..... 6
 - Topic 2: Liability and Compliance 7
 - Context..... 7
 - Discussion Highlights..... 7
 - Topic 3: Pre- and Post-Licensing Education and Qualifications 9
 - Context..... 9
 - Discussion Highlights..... 9
 - Topic 4: Teams 11
 - Context..... 11
 - Discussion Highlights..... 11
 - Topic 5: Issues in Rental Property Management, Strata Management and Commercial Real Estate.... 13
 - Context..... 13
 - Discussion Highlights..... 13
- Appendix A: Summary at a Glance..... 15
 - Table 1: Supervision 15
 - Table 2: Liability and Compliance 18
 - Table 3: Pre- and Post-Licensing Education and Qualifications 21
 - Table 4: Teams 25
 - Table 5: Issues in Rental Property Management, Strata Management and Commercial Real Estate.... 28

Introduction

The Office of the Superintendent of Real Estate (OSRE), in collaboration with the Real Estate Council of British Columbia (RECBC) and the Ministry of Finance, is undertaking work to review the roles and responsibilities of managing brokers in B.C.'s changing real estate landscape to ensure the role continues to support regulatory protections for consumers and fosters a strong culture of professionalism among licensees.

Managing brokers play a critical role in the industry and have formal responsibility for the business operations of their brokerage and the actions of the licensed and unlicensed staff that provide services on the brokerage's behalf. OSRE is aware that changing business models and practices may be adversely influencing the ability of managing brokers to effectively uphold their regulatory duties.

This document provides a summary of feedback received from managing brokers and industry stakeholders through a series of regional roundtables, as well as from a call for written submissions. Six roundtables were organized in selected locations around the province:

- Prince George (November 21, 2018)
- Kelowna (November 28, 2018)
- Cranbrook (November 29, 2018)
- Vancouver (December 4, 2018 – two sessions)
- Victoria (December 6, 2018).

The purpose of the roundtables was to provide an opportunity to further explore the results of a survey conducted from September 6 – 28, 2018 to identify issues, challenges, impacts, risks, and potential solutions related to the role of managing brokers in a changing real estate landscape. (A summary report of the survey results is available [here](#).)

Through the survey, a wide range of challenges and potential solutions were identified, which can be grouped under the following themes:

- Topic 1: Supervision
- Topic 2: Liability and regulatory compliance
- Topic 3: Pre- and post-licensing qualifications and education requirements
- Topic 4: Teams (unique to trading services)
- Topic 5: Other issues focused on rental, strata, and commercial real estate services.

At the roundtables, participants engaged in a series of facilitated discussions on the above five topics - to understand what may be the impacts and unintended consequences of the suggested solutions and to identify which solutions may be feasible in the short- to long-term.

To ensure that the broadest range of perspectives was considered, OSRE also encouraged all managing brokers to provide written submissions on the roundtable discussion questions, regardless of whether or not they were able to participant in one of the six roundtable sessions. The deadline for written submissions was December 21, 2018.

In total, over 150 individuals participated, in person, at the six roundtable sessions. In addition, OSRE received ten written submissions.

The feedback received through the survey, the roundtable discussions, and written comments will help inform the development of a discussion paper with high-level options related to the role of managing brokers. The discussion paper is expected to be released for licensee and public comment in spring/summer 2019.

For more information about this project, please visit the [project website](#).

Note to readers: The summary of information below, including the potential solutions that were identified, primarily reflects comments received through licensee engagement activities, including the roundtables and the information-gathering survey. The inclusion of issues, challenges, impacts, and/or risks in this document should not be interpreted to mean that regulators are not already undertaking activities in the identified areas - nor does it presuppose that any included solution or outcome is feasible or will be implemented.

Topic 1: Supervision

Context

The *Real Estate Services Act* (RESA) and the Real Estate Rules (Rules) describe managing brokers' responsibilities, including:

- being actively engaged in the management of their related brokerage;
- ensuring that the business of the brokerage is carried out competently and in accordance with the Act, regulations, rules and bylaws; and
- ensuring that there is an adequate level of supervision for related associate brokers and representatives, and for employees and others who perform duties on behalf of the brokerage.

To supplement these requirements, RECBC has published practice advice for managing brokers that outlines the expected standards for ensuring adequate supervision, such as: being available to assist and advise licensed and unlicensed staff in day-to-day activities; providing training and guidance; and, fostering an understanding of, and compliance with, regulatory requirements (e.g. promote awareness of disclosure and advertising rules, review of the brokerage procedures manual, and communicate changes in the law).

The results of the survey highlighted a number of observations related to the challenges faced by managing brokers in meeting the expectations of both their licensees and RECBC, which were discussed by roundtable participants. Key observations:

- Most representatives and associate brokers want more supervision and training from their managing brokers; however, some managing brokers report that they do not have sufficient time or incentive to provide the desired/required level of guidance and accessibility/mentorship.
- On average, managing brokers indicated that they allocate approximately 40% of their working hours to supervision of brokerage staff; they would like to be able to spend more time on business development, followed by supervision duties.
- Some respondents indicated that the supervision of real estate licensees is made more difficult by its indirect nature, as well as high numbers of related licensees and/or transactions. Others indicated that managing brokers who actively provide services to clients face additional potential challenges (e.g. conflicts of interests, being perceived as a competitor).

The survey results also identified a number of potential solutions to these challenges put forward by respondents (primarily licensees). The most common solutions which were discussed at the roundtable included:

- more detailed regulatory requirements for supervision (e.g. regular, mandatory office meetings or one-on-one meetings, and managing broker presence at brokerages);
- restriction on the maximum number of licensees per managing broker; and
- restrictions on the ability of managing brokers to provide trading services to clients.

Discussion Highlights

Key areas of discussion included the elements of effective supervision and how effective supervision supports consumer protection, as well as the advantages and challenges associated with the potential solutions identified through the survey (see list above).

Issues

There was strong agreement at the majority of the roundtables that the level and type of supervision required of a managing broker is determined by the knowledge, skills, and competency of the licensees at the brokerage.

A large number of managing brokers, typically those in larger urban centers, agreed that certain business models and practices in the industry may impede effective supervision and, as a result, managing brokers face challenges in fulfilling their regulatory duties. There was also general recognition at many roundtables of the importance of brokerage policies, procedures, and systems in supporting compliance with the real estate regulatory framework.

Finally, roundtable participants in both larger and small communities recognized that there are both advantages and disadvantages when managing brokers provide trading services directly to clients. For example, managing brokers who do so remain informed of current industry practices but may also face additional potential conflicts of interest in relation to their brokerages' clients. Participants from many regions recognized that the ability of managing brokers to provide trading services directly to clients is vital to the financial viability of smaller brokerages.

Potential Solutions

There was little consensus on potential solutions to the supervisory issues faced by managing brokers.

Participants at several roundtables supported restricting the maximum number of related licensees that a managing broker can supervise. They suggested several factors that could be considered in developing a restriction, such as the number of licensees supervised, whether any supervisory responsibilities are delegated to other licensees at the brokerage (e.g. associate brokers), the experience level of the managing broker and/or the related licensees, and whether managing brokers also provide real estate services to clients, among others.

By contrast, discussion at several other roundtables suggested that a restriction would be unwelcome, and supervisory challenges could be addressed through business practices. For example, several managing brokers suggested that it is incumbent on managing brokers and brokerage owners to recognize the limits of the managing broker's supervisory skills, and to tailor their brokerage duties accordingly.

Topic 2: Liability and Compliance

Context

RESA underwent significant amendments in 2016 that increased maximum penalties for individuals and corporations found to have committed misconduct. Many managing brokers expressed concern about the increased liability that they now face - in relation to their own conduct and performance of their regulatory duties, as well as vicariously for the conduct of related licensees.

The results of the survey highlighted a number of observations in relation to liability and compliance. Most common among these observations were comments related to who is responsible for misconduct and, as a result, who should be liable to pay any discipline penalty imposed by RECBC for non-compliance. Other key observations:

- Managing brokers indicated that they would like to see greater consideration of whether they were directly responsible for, or involved in, licensee misconduct when liability is assigned in discipline cases, particularly as they may have limited control over the conduct of licensees or brokerage owners.
- Respondents indicated that they want swift and decisive action by RECBC against licensees who commit misconduct, and for more licences to be revoked in cases of serious misconduct, such as fraud; however, they are generally not willing to report misconduct.
- Managing brokers face a wide variety of challenges in complying with the complex range of regulatory requirements imposed by other provincial and federal enactments (e.g. anti-money laundering, residential tenancies, and the *Homeowner Protection Act*), in addition to the RESA regulatory regime.

The survey results also identified several potential solutions to these challenges put forward by respondents (primarily licensees). The most common solutions included:

- making representatives and associate brokers more directly accountable for their own conduct;
- “single licensing”; and,
- examining brokerage owner restrictions or requirements.

Discussion Highlights

Key areas of discussion included where to place the balance of liability when misconduct occurs, as well as the advantages and challenges associated with the potential solutions identified through the survey (see list above).

Issues

There was general consensus among participants at all roundtables that managing brokers bear a level of liability for misconduct that is disproportionate to that of related licensees and brokerage owners; in part, this is a consequence of the 2016 RESA amendments.

Participants at many roundtables indicated that, in assigning liability for misconduct, RECBC should consider whether managing brokers had knowledge of misconduct before it occurred and what, if any, direct role they played in the misconduct.

There was also general consensus at all roundtables that managing brokers are reluctant to report misconduct - for reasons such as concern about liability for damage to other licensees' professional reputations, and/or damage to their own professional relationships.

Potential Solutions

There were diverse views on potential solutions to liability and compliance issues. Participants at all roundtables supported exploration of mechanisms to hold licensees more directly accountable for their own conduct. Similarly, there was support at most roundtables for placing additional requirements on brokerage owners. Managing brokers at the roundtables felt that that managing brokers should only be held liable for a licensee's misconduct if they were directly involved in the misconduct or negligence.

Other areas of general consensus across the roundtables included improving the processes for resolving complaints and the need for more proactive enforcement, including expanding the number and scope of RECBC audits.

Topic 3: Pre- and Post-Licensing Education and Qualifications

Context

Applicants for a real estate licence in BC must satisfy the qualification requirements set out in RESA, including: requirements related to age and reputation; and, previous professional licensing history in BC and/or other Canadian or US jurisdictions. The Rules provide additional qualification requirements, as do RECBC's bylaws and policies. These include requirements to:

- demonstrate proficiency in English;
- successfully complete a licensing course;
- successfully complete a licensing examination; and
- successfully complete an applied practice course (for trading services licence applicants). This requirement may be satisfied while the applicant holds a temporary licence.

Generally, in order to become licensed as a managing or associate broker, an applicant must do all of the above, plus successfully complete the brokers licensing course, and demonstrate that they have been licensed as a representative in BC for two of the last five years. RECBC's Education and Licensing Guidelines provide for a number of recognized educational equivalences which allow eligible individuals to apply for a waiver of the licensing course and/or examination in specific circumstances.

Survey results indicated that:

- There is general consensus among survey respondents that the education and licensing requirements need to be re-examined for *all* licensees (e.g. representatives and managing brokers).
- There is concern among respondents about the existence of cheating or learning avoidance schemes in pre- and post-licensing regulatory education courses.
- Survey respondents felt that there may be insufficient educational options available that relate to the unique role and duties of managing brokers.
- Survey respondents suggested that not all brokerages provide sufficient on-going training to ensure that the brokerage's related licensees understand and comply with regulations.

Note to readers: RECBC is currently undertaking a review of pre- and post-licensing education; in addition to this project, the responses from managing brokers at the roundtables and in written submissions will help to inform that review.

Discussion Highlights

Key areas of discussion included the role of managing broker in both the pre-licensing and re-licensing education of their brokerage's licensees, and whether the pre- and post-licensing education and qualification requirements for managing brokers are sufficient.

Issues

There was consensus at all roundtables that licensing courses, both for representatives and for managing brokers, do not sufficiently prepare graduates to effectively perform their duties. In addition, there was strong agreement that the current two-year experience requirement for managing brokers is

too low. As identified elsewhere in this paper, many roundtable participants felt that supervisory challenges, along with liability and compliance issues, are linked to gaps in licensing education.

Potential Solutions

There was consensus at all roundtables that pre-licensing education requirements for representatives and managing brokers in all licence categories need strengthening. In addition, there was strong support for additional specialized educational supports for managing brokers, including targeted re-licensing education courses and tools to support training at the brokerage level. Re-licensing education for representatives of all licence categories was also identified as an area that could be explored for further improvements.

Topic 4: Teams

Context

The topic of teams primarily relates to trading services licensees. The Rules make a single reference to “teams,” related to the requirement for RECBC to approve a team name for real estate advertising. However, in practice, teams have evolved from an advertising vehicle into more sophisticated sales and marketing vehicles. Licensees may choose to work as part of a team in order to share certain costs (e.g. of advertising), increase their overall work-life balance, and help distribute workload more evenly among members. Teams also provide a means for licensees to work together to accumulate points toward industry-based recognition and rewards programs.

For managing brokers, ensuring that teams operate in compliance with the requirements of the regulatory framework can be challenging. For example, although the brokerage for which they work may practice designated agency, team members act collectively as the designated agents for all of the team members’ clients.

The information-gathering survey included one open-ended question for managing brokers regarding the supervision of teams. In addition, when answering general open-ended questions about issues and challenges, a small number of representatives identified issues related to teams.

Highlights of the survey results:

- Concerns were raised that some large teams may operate as “mini brokerages,” creating confusion among licensees and consumers.
- Licensees at all levels indicated that they want more guidance in the regulatory framework about teams.
- Many managing brokers would like to see process improvements related to the creation of teams.

The survey results also identified a number of potential solutions. The most common solutions discussed at the roundtables included:

- Developing required team leader qualifications (e.g. education, discipline history, experience);
- Developing required team member qualifications;
- Placing restrictions on teams (e.g. limit team size, limit number of teams within a brokerage); and
- Prohibiting teams altogether.

Discussion Highlights

Key areas of discussion included the:

- potential impacts on consumers from the current formation and operation of teams;
- role managing brokers might play in team operations to mitigate consumer risks and impacts; and,
- advantages and challenges associated with the potential solutions identified through the survey (see list above).

Issues

- Many roundtable participants identified that teams are changing the way they operate in response to new Rules regarding agency.
- Participants at several roundtables indicated that teams can present supervisory challenges, although a minority suggested that teams could assist with brokerage operations.
- There was acknowledgment at several roundtables that large teams may use their positions within brokerages to seek concessions from managing brokers regarding the brokerages' operations and activities.
- Finally, there was strong support for the statement that the regulatory framework, as it relates to teams, is underdeveloped.

Potential Solutions

There was strong support across all roundtables for the proposition that the regulatory framework needs to be amended to provide more detailed requirements for teams, and for greater consideration of how teams fit into the broader regulatory framework.

Participants strongly felt that non-regulatory responses implemented at the brokerage level (e.g. stronger communication between managing brokers and team leaders/team members, and clear brokerage policies and procedures related to team operations and activities) would assist managing brokers in resolving many of the supervisory challenges related to teams.

Topic 5: Issues in Rental Property Management, Strata Management, and Commercial Real Estate Services

Context

The roundtables also included discussion of issues related to rental property management, strata management, and commercial real estate. Results of the survey indicated that there may be insufficient focus by regulators on the needs of those licensees who provide rental property management, strata management, and commercial real estate services. Survey respondents from these practice areas called for more targeted education, practice advice, standard or prescribed forms, and other supports.

The survey results also identified a number of potential solutions, including:

- changes to licensing education, standardized forms, and practice advice;
- improved enforcement of existing Rules; and
- with regard to commercial real estate, development of a new licensing category (or even an entirely separate licensing scheme), as well as new mechanisms to identify “sophisticated” clients and differentiation of the duties owed to such clients by licensees.

Discussion Highlights

Key areas of discussion:

- Changes to licensing education, standard forms, practice advice, and RECBC’s enforcement of existing Rules.
- Consumer protection issues specific to rental property management, strata management, and commercial real estate. For example: perceived conflicts between different statutes related to rental property management; adding new rules to resolve challenges for strata management, including wind-ups of strata corporations, and, regulation of commercial real estate.
- The advantages and challenges associated with the potential solutions identified through the survey (see list above.)

Issues

There was strong agreement at most roundtables that the current regulatory framework is primarily focused on residential trading services and does not adequately consider other categories of real estate services, including rental property management, strata management, and commercial trading services. As identified elsewhere, roundtable participants felt that pre-licensing education does not sufficiently prepare graduates of all licensing categories and levels to practice their respective areas of real estate services.

In addition, participants at all roundtables felt that commercial trading services operate differently from other real estate services.

Potential Solutions

There was consensus at roundtable sessions that more practice advice and professional guidance is required in relation to rental property management, strata management, and commercial real estate services.

In addition, there was strong agreement at urban roundtables that the regulatory framework needs to be re-examined as it applies to licensing for commercial trading services. In contrast to the support at urban roundtables for this approach, some managing brokers in less urbanized areas expressed concern that with relatively low volumes of commercial transactions in their areas, consumers would be negatively affected if additional licensing requirements were established.

Appendix A: Summary at a Glance

Table 1: Supervision

Issues discussed	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
The impact of licensees' skills, knowledge, and competence on the nature of supervision provided by managing brokers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Responsibility of managing brokers and brokerage owners to limit the supervisory activities of managing brokers, based on a realistic assessment of their skills and knowledge	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The nature of the business and prevailing business models, particularly in trading services, make it difficult for managing brokers to know how individual licensees are conducting themselves, or for managing brokers to influence the conduct of related licensees, e.g.: <ul style="list-style-type: none"> • Supervision is primarily focused on complaint avoidance • "Independent contractor" status of many licensees • Ease of transferring a licence to another brokerage • Experienced licensees being resistant to supervision and direction 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Challenges in directly, actively, and adequately supervising related licensees at large brokerages, e.g.: <ul style="list-style-type: none"> • Number of related licensees • Volume of transactions 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Role of brokerage policies, procedures, and systems - and having a skilled managing broker in effective supervision in different contexts, e.g.: <ul style="list-style-type: none"> • Large brokerages with a large number of licensees • Small brokerages that need additional tools and supports • Remote supervision, including the use of technology 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Potential use of delegation to other licensees - to increase direct supervision through delegation, including advantages and disadvantages	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Brokerages with limited oversight have a negative impact on the industry's reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Managing brokers who supervise from afar can be problematic, e.g.: <ul style="list-style-type: none"> Managing broker on vacation without delegation (including property management) Managing multiple office locations and/or virtual brokerages Lack of knowledge about geographic region (i.e. local zoning, development, lore, etc.) 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Availability of managing broker and managing broker time to supervise and meet (onerous) regulatory requirements; instead of providing guidance, some managing brokers are referring related licensees to RECBC or industry organization.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Advantages and disadvantages to managing brokers providing trading services directly to clients, including consideration of the capacity of brokerages of different sizes and/or rural communities.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Potential solutions identified	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Develop a cap or ratio for the number of related licensees under one managing broker. Could include consideration of additional factors, e.g.: <ul style="list-style-type: none"> The number of related licensees they supervise Delegation of supervisory responsibilities to related licensees (e.g. associate brokers) Experience level of the managing broker and/or the related licensees Whether managing brokers also provide real estate services to clients Impacts on business models Impacts on consumer risk Licence category Nature of supervision provided (e.g. in-person vs. remote). 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Creation of additional licence classes for managing brokers related to the number of related licensees they supervise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
More detailed regulatory requirements regarding supervision, e.g.: <ul style="list-style-type: none"> Limiting the geographic distance between a managing broker, the brokerage office(s), and related licensees Mandated brokerage meetings and related licensee attendance Prohibiting managing brokers from providing trading services directly to clients 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Greater collaboration among government agencies and the various, practical impacts they each have on the industry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consider solutions to assist small brokerages to resolve conflicts related to agency (e.g. “independent floating managing brokers” to supervise specific transactions)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do not impose any “regulatory solutions”; instead, allow business models to adjust by implementing responsible solutions.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Table 2: Liability and Compliance

Issues discussed	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Perception that managing brokers bear a level of vicarious liability that is disproportionate to their influence and control over both related licensees and brokerage owners, e.g.: <ul style="list-style-type: none"> • Conflicts between managing broker duties and brokerage owner/shareholder desire for growth and profitability. • Independent contractor business model generally means the managing broker may be unaware of non-compliance until it is too late. 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Maximum fines in RESA are very high and, if imposed, could cause financial hardship on individual licensees and force a brokerage closure	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-compliance becomes an acceptable business risk to unethical licensees if enforcement is not seen to be proactive and sufficient; pre-2016 RESA amendments, penalties imposed for misconduct were inadequate to deter contravention or to promote consumer confidence in the industry.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
A managing broker and brokerage should not necessarily be liable for the misconduct of a related licensee in certain situations, e.g.: <ul style="list-style-type: none"> • If the managing broker performed appropriate due diligence in his/her supervisory role (including in hiring processes) • If the managing broker could not reasonably have been aware of the misconduct • If the managing broker did not participate in the misconduct 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The incentives and rewards favour individual licensee income over ethical behaviour	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Problems that arise when there is more than one managing broker or associate broker acting as a delegated supervisor within a brokerage: <ul style="list-style-type: none"> • Conflicting or wrong advice being provided by a licensee in management position • Difficulty apportioning liability 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Adequacy of resources and guidance to support managing brokers, e.g.: <ul style="list-style-type: none"> • Level of detail in practice advice • Level of awareness of, or satisfaction with, RECBC’s Professional Standards Advisors 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<ul style="list-style-type: none"> Concern that discussions are not confidential and could trigger an audit or investigation Lack of information about complaints and their outcomes 							
Risk of non-compliance may be higher for certain groups, e.g.: <ul style="list-style-type: none"> New licensees Inexperienced licensees, including those who conduct very few transactions per year or work “part-time” 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Concerns about the complaints resolution process, e.g.: <ul style="list-style-type: none"> The backlog of RECBC investigation files Procedural fairness concerns Lack of statutory limitation for bringing complaints forward 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Concerns about reporting allegations of misconduct, e.g.: <ul style="list-style-type: none"> Opportunities for managing brokers to provide information regarding a related licensee’s conduct to RECBC prior to a licence transfer Potential harm to managing brokers’ relationships with related licensees Potential liability of the managing broker for harming the professional reputation of another licensee Additional potential liability in relation to the managing broker’s own conduct 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Potential solutions identified							
Expanded scope of RECBC audits, e.g.: <ul style="list-style-type: none"> Review how the brokerage management team, brokerage operations, and values of brokerage owners may contribute to regulatory non-compliance Consider conduct of team leaders and team members Conduct of individual licensees Brokerage training activities 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Require mandatory reporting of any fraudulent or criminal activity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Ensure enforcement is proactive and fulfills its purpose for both specific and general deterrence, e.g.:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<ul style="list-style-type: none"> • More brokerage audits, including at new brokerages and/or brokerages with a newly licensed managing broker • Following up on alleged misconduct that may be disclosed when a managing broker returns a licence to RECBC • Strict enforcement of Rules • More severe penalties, including licence cancellation in cases of egregious misconduct 							
Improvements to complaints resolution processes, e.g.: <ul style="list-style-type: none"> • More timely resolution of complaints and discipline • More opportunities for the managing broker to respond to complaints • Potential role for managing brokers in resolving minor or technical non-compliance issues • Sharing information with managing brokers about the nature of allegations involving related licensees 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Imposition of liability on managing brokers and whether RECBC takes into account the involvement of managing brokers in the misconduct and/or whether the brokerage is properly managed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Increased accountability of related licensees for their own conduct, e.g.: <ul style="list-style-type: none"> • Greater liability • Single licencing model and consideration of related issues (e.g. handling of trust monies) 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Find ways to reward ethical behaviour and standards of professionalism	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-regulatory approaches, e.g.: <ul style="list-style-type: none"> • Use of contractual clauses to indemnify brokerage and/or managing broker • Private liability insurance 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Table 3: Pre- and Post-Licensing Education and Qualifications

Issues discussed	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
The skills, knowledge, and competence of related licensees have a significant influence on consumer protection, and can help reduce misconduct.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The managing broker licensing course does not adequately prepare a person to perform the role, e.g.: <ul style="list-style-type: none"> • Leadership skills • Business management skills • Ability to teach, train, and mentor • Opportunities for practical application of skills 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Managing broker experience requirements are too low and/or should be broadened to consider additional suitability factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Managing brokers may have insufficient knowledge of specialized sub-segments of the market served by licensees they supervise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Challenges in attracting and retaining qualified managing brokers, e.g.: <ul style="list-style-type: none"> • Insufficient compensation • Workload • Impact of higher qualification requirements in light of aging managing broker demographics 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lack of targeted re-licencing education for managing brokers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lack of re-qualification requirements courses for associate brokers to upgrade licence level	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pre-licensing course does not adequately prepare new representatives to perform daily duties	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Role of managing brokers in training, including making up for gaps in pre-licensing course content	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post-licensing course content does not adequately address issues that may arise in smaller communities or different regions	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Existing licensees would benefit from increases in, and improvements to, post-licensing courses; current re-licencing education requirements are low for the level of responsibility licensees hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

General lack of professionalism in the industry, e.g.: <ul style="list-style-type: none"> Unethical conduct Questionable motivation of new licensees (e.g. quick money and low barriers to entry), particularly in a strong market Licensees at all levels who are unwilling to complete more than the minimum education and qualification requirements 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Feedback on changes to pre- and post-licensing education (e.g. new Legal Update course format, Applied Practice Course for trading services)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Managing brokers must develop their own tools and resources to teach related licensees about the regulatory framework and compliance issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Adequacy of current brokerage licensing requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gaps in consumer knowledge and education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Potential solutions identified	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Review managing broker licensing course to ensure it equips graduates to fulfill day-to-day regulatory duties, e.g.: <ul style="list-style-type: none"> Additional course content (e.g. leadership and management skills, more content on RESA) Applied Practice Course for prospective managing brokers Requirement to hold a university degree Formal mentorship Increase the current two-year experience requirement Provide template or framework for brokerage policy manuals 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Create specialized re-licensing requirements and courses for managing brokers, e.g.: <ul style="list-style-type: none"> Courses specific to the managing broker role Train managing brokers on new Rules first and before Rules are implemented Managing broker forum to discuss issues and solutions 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pre-licensing education and qualifications requirements need further revision, e.g.: <ul style="list-style-type: none"> Increasing the duration of the pre-licensing course 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<ul style="list-style-type: none"> • Longer articling or apprenticeship period • Less emphasis on mortgage calculations • Greater involvement of managing brokers and industry stakeholders in course design • Development of an Applied Practice Course for rental property and strata management licensing categories • Greater focus in certain areas (e.g. contracts, practical application of learning) 							
Post-licensing courses provide more in-depth content for existing licensees, e.g.: <ul style="list-style-type: none"> • Additional courses on specialized topics, including new and/or amended Rules • Post-licensing courses for rental property and strata management licensees 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Increase post-licensing education and qualification requirements for all levels of licence, e.g.: <ul style="list-style-type: none"> • One-year re-licensing cycle • Additional mandatory courses • Demonstrated English language proficiency • Re-licensing examinations • Require a criminal record check for licence renewal • Require associate brokers to re-qualify for managing broker licensing after a specified period • Recognition of additional non-RECBC courses toward re-licensing education requirements (e.g. BCIT, Langara College, PAMA, SPABC) 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Revise pre- and post-licensing education assessment methods for all licence categories and levels, e.g.: <ul style="list-style-type: none"> • Reconsider use of multiple-choice tests • Implement testing, de-emphasize mere attendance 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Create tools that support more education and training at the brokerage level, e.g.: <ul style="list-style-type: none"> • Allow managing brokers to access course manuals for pre-licensing course • Sample compliance checklists • Train-the-trainer materials • Share aggregate audit results to identify common errors and issues 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Additional requirements for brokerage owners, e.g.: <ul style="list-style-type: none"> • “Fit and proper” standard for brokerage ownership • Minimum standards for unlicensed brokerage owners • Restrict the involvement of unlicensed brokerage owners in supervision and business activities 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Provide additional RECBC resources and guidance for rental property and strata management licensees at all levels	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consider requirements for brokerages that hire new licensees, e.g.:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • Formal agreement to train and mentor • Demonstrate to RECBC that they have an appropriate training system in place • Licensing system for “training brokerages” 							
Increase consumer education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Consider measures to attract and retain managing brokers, e.g.:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • Benchmarks for managing broker remuneration based on brokerage size, region, etc. • Requirement for brokerage to have a succession plan • Promotion of the managing broker role as a prestigious and respectable occupation 							

Table 4: Teams

Issues discussed	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Limited explicit requirements for teams in the Rules; brokerages are filling regulatory gaps by developing their own policies and procedures regarding teams	☒	☒	☒	☒	☒	☒	☐
Challenges related to agency representation within teams, e.g.: <ul style="list-style-type: none"> • Teams cannot practice designated agency even if they do not share confidential client information • Implied or undisclosed team membership 	☐	☒	☒	☒	☒	☐	☒
Teams may not be complying with regulatory requirements, e.g.: <ul style="list-style-type: none"> • Advertising • Agency 	☒	☐	☐	☐	☒	☐	☐
Common challenges in effectively supervising teams, e.g.: <ul style="list-style-type: none"> • Team leaders may provide advice to team members • Team leaders may have different objectives than the managing broker (e.g. sales versus compliance) • Teams may operate on separate premises from the brokerage, impeding supervision • A team’s branding and advertising may be confusing to consumers, who may believe that the team is a brokerage 	☒	☒	☐	☒	☒	☒	☒
A bigger concern than teams is small brokerages that effectively practice brokerage agency, while claiming to practice designated agency	☐	☒	☐	☐	☐	☐	☒
Large teams can have significant influence over managing brokers and brokerages	☐	☒	☒	☒	☒	☐	☒
Teams are changing how they operate in response to new Rules regarding agency, e.g.: <ul style="list-style-type: none"> • Disbanding • Forming new brokerages 	☒	☒	☒	☒	☒	☐	☒

Potential solutions identified	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Creation of additional Rules or regulatory requirements regarding teams, e.g.: <ul style="list-style-type: none"> • Team leader qualification requirements • Team member qualification requirements • Handling of confidential information • Formal team leader liability for misconduct by team members • Clear requirements for disclosures (e.g. representation, remuneration) • Clearly displaying brokerage logo in team advertising • Ban teams from advertising • Restrict teams from operating offices on separate premises from brokerages • Allow for teams to practice designated agency • Additional guidance and practice advice for team members 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
More audits of teams in targeted areas, e.g. <ul style="list-style-type: none"> • Advertising • Agency 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Increase consumer awareness about the differences between brokerages and teams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Improvements to Council processes for the creation of teams, e.g.: <ul style="list-style-type: none"> • Formal managing broker approval to create a team • Formal managing broker agreement to supervise a team 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-regulatory responses, e.g.: <ul style="list-style-type: none"> • Improved communication between the team leader and managing brokers • Appropriate brokerage policies and team policies • Development of best practices for supervising teams • Let brokerages decide whether to allow teams and how best to address any issues that may arise • Support managing brokers to equally and fully enforce compliance with regulatory requirements 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Table 5: Issues in Rental Property Management, Strata Management and Commercial Real Estate

Issues discussed	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
<ul style="list-style-type: none"> The current regulatory framework is designed for residential trading services and does not adequately recognize rental property management, strata management, and commercial real estate services Unnecessary regulatory and administrative burden 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Regulators provide insufficient practice advice and resources to rental property and strata management services licensees, e.g.: <ul style="list-style-type: none"> Disclosure of conflicts of interest to strata councils by strata management brokerages Disclosure of Representation in Trading Services does not work in a rental property management context How to manage agency conflicts in light of new Rules 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
There are significant differences between commercial and residential real estate services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Differences in providing real estate services in urban and rural communities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inadequate pre-licensing education does not adequately prepare licensees to provide real estate services, and places consumers at risk, e.g.: <ul style="list-style-type: none"> General gaps related to readiness to work in rental property management, strata management, and commercial trading services For trading services licensees, how to read a strata disclosure statement 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Concern about compliance with current regulatory regime, e.g.: <ul style="list-style-type: none"> Exploitation of licensing exemptions to provide wholesale subletting activities and unlicensed rental property management services Commercial real estate brokerages that will not share information about listings, contrary to the best interests of their clients Commercial real estate brokerages that do not properly disclose remuneration Impact of new Rules regarding agency on commercial real estate 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-RESA issues, e.g.:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- Increasing complexity of strata plans and related disclosures
- Small strata councils which may not be sufficiently sophisticated to meet obligations to owners
- Cost-per-unit of strata management services for small strata councils
- Residential tenancy requirements
- Whether RESA applies to leasing of Aboriginal land

Potential solutions identified	Prince George	Kelowna	Cranbrook	Vancouver (AM)	Vancouver (PM)	Victoria	Written submissions
Review the regulatory framework to better identify which regulatory requirements apply to rental property management, strata management, residential trading services, and commercial trading services, respectively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Separate re-licensing requirements for each category of licence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Improvements to pre- and post-licensing education for rental property and strata management services licensees (see Table 3 above) <ul style="list-style-type: none"> • Recognition of PAMA and SPABC courses toward re-licensing education requirements 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvements to current RECBC resources and practice advice for rental property management, strata management, and commercial real estate licensees, e.g.: <ul style="list-style-type: none"> • Tailored and prescribed consumer disclosure forms • Additional practice advice • More notifications and training regarding changes to RESA and other relevant legislation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Amendments to other legislation that relates to rental property and strata management services, e.g.: <ul style="list-style-type: none"> • Plain language disclosure statements • Better distinction between short- and longer-term rentals • Reduced statutory requirements for small strata plans and their council members • No more sectioned strata developments 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Improvements to licensing education regarding commercial real estate, e.g.: <ul style="list-style-type: none"> • Provide additional post-licensing education on commercial real estate • Develop a new licence category for commercial trading services • Develop an entirely separate regulatory regime for commercial real estate 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- Provide a licensing exemption for individuals who advise consumers on commercial real estate transactions

Create a rule that recognizes “sophisticated” commercial clients and allow licensees to treat these clients differently, e.g.:

- Reduced disclosure requirements
- Modification of duties to reduce or eliminate agency duties