May 18, 2018

Erin Seeley
Executive Officer
Real Estate Council of British Columbia
900 – 750 West Pender Street
Vancouver, BC V6C 2T8
Submitted by email: eseeley@recbc.ca

Dear Ms. Seeley,

Re: Defining Exemption to the Ban on Limited Dual Agency

The British Columbia Real Estate Association (BCREA) continues to call for clarity on the criteria for the exemption from the ban on limited dual agency. The exemption will enable consumers and licensees to use limited dual agency in specific circumstances, but it is not clear how it will apply in practice. Specifically, there is a need define "under-served" and "remote" in a way that protects consumers and meets the needs of licensees.

Under-served
A process that clearly outlines which communities qualify as under-served, rather than case-by-case determinations, is needed. An existing provincial government program (the BC Loan Forgiveness Program) already uses a criteria-based approach to define "underserved" communities, and we believe a similar approach could work for our purposes. Criteria for qualifying as an under-served community should be made available for licensees to access.

Licensees are free to practice real estate across the province, and some licensees based out of large communities may practice in small communities. The criterion to measure whether a community is under-served could be based on one of the following:

- Home address information of licensees: while acknowledging the non-restricted scope of practice, if home addresses were used as a proxy measurement for area of practice, then the home addresses of licensees could be used as a baseline measure.
- Primary practice area: data on the primary practice area of licensees would illuminate which communities have few licensees serving them.
- Number of offices per area: counting the number of offices per area, or the number of licensees per office, would represent the level of real estate expertise in an area.

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President James Palanio | **President-Elect** Michael Trites | bcrea@bcrea.bc.ca | **604.683.7702** (tel)
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Quality *of* Life

Remote
The process of determining what constitutes a remote community must also be transparent and consistent. For example, measuring the number of sub-offices in an area could be used. While many REALTORS® live in or are brokered from outside of the community in which they practice, the number of sub-offices in communities could indicate how remote a community is. Geographic measurements, such as latitude, could also be used.

Communication and Evaluation
We believe a list of communities can be created by applying the approaches described above. That list should then be published on the Council's website, and the criteria and list reviewed every three years.

BCREA agrees with the importance of consumer protection, and looks forward to working collaboratively to advance solutions that protect consumers and meet the needs of real estate professionals. Giving consumers greater clarity on their rights, and giving licensees more certainty and guidance on the application of the exemption, will create the confidence needed to use limited dual agency in instances where it is in the client's interest. If we can assist in any way, please contact me directly (dhyde@bcrea.bc.ca; 604.742.2787).

As you know, BCREA is the professional association for about 23,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.
Sincerely,

Darlene Hyde
Chief Executive Officer

Copies: Robert Holmes, Chair, Real Estate Council of British Columbia
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            Micheal Noseworthy, Superintendent of Real Estate
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