



REALTORS Deliver New Act



On March 14, the provincial government asked the real estate industry to comment on what should be included in a reformed *Real Estate Act*. On April 7, the real estate profession responded with a clear and united voice.

More than 65 REALTORS from across BC participated in Government Liaison (GL) Days in Victoria, presenting government with a brief entitled *Real Estate Act Reform – One Profession, One Voice*.

The brief serves two purposes. First, it presents the vision BCREA's member boards and REALTORS have for a reformed *Real Estate Act* – a vision communicated to BCREA through an extensive consultation process. Second, it is BCREA's official response to the government discussion paper released in March.

To properly capture the

industry's vision, BCREA chose to draft and submit to government the *Real Estate Brokers and Agents Act* – a replacement for the current *Real Estate Act*. Supporting documents were also submitted, including a final report on the public consultation process BCREA undertook in support of its draft legislation.

REALTORS discussed the brief and replacement Act with more than 70 MLAs and bureaucrats, noting the real estate industry's desire to work with government in addressing issues that affect consumers, industry professionals, government and the economic health of the province.

In the brief, BCREA recommends government:

- Require anyone performing the duties or functions of a REALTOR to be licensed.
- Eliminate the role of the Superintendent of Real

Estate in Part 1 of the *Real Estate Act*.

- Allow licensees to be licensed under the *Real Estate Act* by way of personal corporations.
- Adopt BCREA's draft *Real Estate Brokers and Agents Act* as a template for new legislation to replace the current *Real Estate Act*.
- Invite BCREA to partner with government in drafting the enabling legislation that will accompany the new Act.

MLAs responded positively to the brief and the draft *Real Estate Brokers and Agents Act*. They also appreciated REALTORS' thorough and professional approach to reform the single most important statute affecting them.

New legislation is expected to be introduced in the legislature in spring 2004, and BCREA will keep you informed every step of the way.

Real Estate Has Huge Impact

The real estate industry is a significant contributor to the provincial economy. According to the provincial government, real estate accounts for approximately five per cent of BC's Gross Domestic Product and over

30,000 jobs. In 2002, residential sales on the Multiple Listing Service® (MLS®) set a new record at over \$19 billion, with more than 80,000 homes sold in BC.

A new study commissioned by CREA, *The Economic Impact of MLS® Home Sales*, indicates resale housing transactions in Canada generate \$7.5 billion per year in additional consumer spending, and help create 101,600 jobs each year.

The study, by Clayton Research Associates of Toronto, indicates that during the period between January 2000 and

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ISSN: 1195-440X

LONG-RANGE PLAN PRINCIPLES

- Building membership relations
- Responding to communication needs
- Provincial leadership status as an advocate for the profession
- Excellence in education services
- Enhanced service options for member boards
- Non-dues revenue development
- Equitable fee structure

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President's Report



President Dennis Wilson

Renewal

When I took office as President, there was a mood among the Directors and member boards that something had to change. That spirit of renewal led us to determine a new future for the Association, which materialized in BCREA's three-year, Long-Range Plan, consisting of seven guiding principles.

The response to our plan has been extremely positive. With a renewed commitment to meet the changing needs of our member boards and the nearly 12,000 REALTORS

in BC, we have truly achieved a unity of purpose. We have begun to accomplish our Long-Range Plan, and I am proud of the profession's achievements.

The reform of the *Real Estate Act* is the perfect example of how we have become united in a single goal. We have all embraced this rare, once-in-a-lifetime opportunity to change the most important piece of legislation governing our profession.

As other important issues arise, I would like to see BCREA use the *Real Estate Act* reform project as a model of how to consult with you on matters that affect the entire industry. Staying on top of the needs of member boards and REALTORS is a key component of BCREA's Long-Range Plan, and the best way to do that is by communicating with you – in every way possible. That's the strategy we have used with the *Real Estate Act*, and I am completely confi-

dent this will continue under the leadership of David Herman.

David and I have become good friends through our years of volunteering, first with the Fraser Valley Real Estate Board and then with BCREA. We have many similar characteristics – and several differences – but the most important similarity is our passion and commitment to our profession. I completely support David's leadership and look forward to working with him in the year ahead.

Real estate has a huge impact, from the most basic level of owning a home to being among the top five economic sectors in the province. We have a lot to be proud of and passionate about. As BCREA continues to accomplish its goals, building on the work we have begun this year, I look forward to seeing that pride grow.

Dennis Wilson

Meet Your Directors:

Region I Director Dave Barclay

Vital statistics:

Company: Re/Max
Bulkley Valley

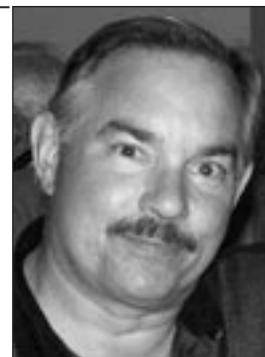
Home board: BC Northern
Real Estate Board

Licensed since: 1988

Volunteer since: 1995

BCREA Director since: 1999

BCREA committee experience: Arbitration, Audit, Industry Review Task Force and current Chair of the Standard Forms Committee



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New Powers for Municipalities

After several months of further study and consultation, the provincial government introduced and gave first reading to the proposed *Community Charter* on March 12. The bill was originally scheduled for introduction in the legislature last fall. However, government honoured the request of BC municipalities and business groups which wanted more time to study the bill's possible effects.

The Charter will build on the *Local Government Act* and reinforce in law that municipalities are an order of the provincial government. The legislation is expected to enable municipalities to become more self-reliant by providing them with greater autonomy, independence, new powers and better financial and other tools for governing communities and delivering services. It will also include an accountability framework for citizens to ensure government remains accountable in every community.

According to government, the Charter represents an unprecedented partnership between municipalities and the province, in which municipal councils will look after community governance and the province will address the public interest of British Columbia as a whole. Government believes the *Community Charter* will address several outstanding issues at the municipal level, including:

- too many limitations on current municipal powers
- too few resources for municipalities to fulfill their mandate
- limited municipal authority to raise funds locally
- time-consuming and costly approval processes that result in lost opportunities

Learn more about the *Community Charter* by visiting www.legis.gov.bc.ca.

New Residential Tenancy Act

Last fall, government introduced a new *Residential Tenancy Act* in an effort to “strengthen protections for both landlords and tenants and help revitalize investment in the rental housing market.” The new legislation received Royal Assent on November 26, 2002, though it is not yet in force.

Real estate is becoming the investment of choice for many people in BC who will rent out their properties. BCREA believes an equitable *Residential Tenancy Act* will encourage new rental construction and increase the supply of existing housing available for rentals.

Some of the changes in the new Act include:

- annual rent increases of three to four per cent, plus a consumer price index adjustment. Landlords will be able to carry forward the increases if they do not raise rents in a given year.
- the right for landlords to decide whether to allow pets, and to collect an additional damage deposit to cover damage that might be caused by pets.
- the collection of extra deposits by landlords for keys, access cards and garage door openers to reduce replacement costs.
- the ability for landlords to evict tenants for illegal activities, such as “grow ops,” that have caused or are likely to cause damage or affect the safety and well being of the landlord or other tenants.

REALTORS need to be aware that, when the new legislation comes into force later this year, new clauses will be needed to protect clients, customers and REALTORS when they buy and sell residential rental properties.

For more information, visit BCREA's REALTOR Link™ homepage, and click on *Residential Tenancy Act* under Library.

REEOIC Elects New Chair

The Board of Directors of the Real Estate Errors and Omissions Insurance Corporation (REEOIC) elected Jordy Higgins as Chair and Doug Perry as Vice-Chair of the Board, effective March 1, 2003. The positions are for one year.

Jordy Higgins has been active in the real estate industry since 1976 and is an agent with Sutton Group – Westcoast Realty (Whistler). She is a past member of the Real Estate Council of BC, a past Director of the Greater Vancouver Real Estate Board and a former cpe instructor for BCREA.

Doug Perry has been involved in the real industry since 1981 and is presently with Royal LePage East Kootenay Realty. He is a member and past President of the Kootenay Real Estate Board and served as President of BCREA in 1996-97.

[REEOIC provides errors and omissions insurance for real estate licensees in BC.](#)

Get in the Know

Did you know you can subscribe to optional e-mail lists on REALTOR Link™? Sign up today to receive a wide variety of publications that will keep you in the know.

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3. To add yourself to a list, click on the box next to the publication you want to receive and click save at the bottom of the page.

Unfortunately, some REALTORS are missing out on this information because they do not have a current e-mail address on file with their member board. Check with your board to ensure it has the correct information and subscribe today.

What's New in Pre-Licensing?



U B C Commerce

Real Estate Division

The UBC Commerce Real Estate Division administers the Sales, Agents and Property Management Pre-Licensing Courses on behalf of the Real Estate Council of British Columbia. Substantive changes to the courses require Real Estate Council direction and approval; however, the Real Estate Division monitors changes in the real estate industry and student feedback, and makes minor amendments. This minor content updating and revision takes

place each year in the ordinary preparations for reprinting course materials.

The Real Estate Division has provided the following list of amendments to the 2003 edition of the Real Estate Salesperson's and Sub-Mortgage Broker's Pre-Licensing Course:

- a discussion of the role of surveys and title insurance was added to the chapter dealing with closing procedures;

- material itemizing Criminal Code prohibitions against mortgage fraud was added to the mortgage law chapter, and an introduction to the suspicious transaction reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* was added to the real estate contracts chapter;

- recent material from the Real Estate Council outlining the duties and obligations of nominees and salespeople was added to the discussion of the *Real Estate Act*, as was information about activities that can properly be performed by unlicensed assistants;

- the previous property management chapter was replaced by a new chapter on the impact of technology on real estate salespersons; and
- material was added to the real estate contracts chapter regarding subject clauses, certainty of contracts, and the use of option agreements in real estate transactions.

Many more substantive changes are expected for next year's courses if new legislation currently under contemplation, such as the *Real Estate Act* and the *Community Charter*, comes into force.

Real Estate Has Huge Impact

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November 2002 each housing transaction in Canada generated an average of \$19,800 in

additional consumer spending. This is because the purchase and sale of properties on the MLS® generate fees to other professionals, government and taxes, plus spending on renovations and new furnishings. An average

of 381,900 homes changed hands annually in the period covered by the economic impact study.

Based on this study, home sales in BC in 2002 generated nearly \$1.6 billion in spending in addition to the

\$19 billion in dollar volume sales. Real estate is clearly a major economic force in the province.

For CREA's full economic impact study, visit [CREA's REALTOR Link™ home-page](#).

cpe Seminar Schedule

Help position yourself for success
— enroll in a cpe seminar today!

Date	Title	Instructor	Location
April 22	Professionalism It Pays! Be Safe or Be Sued.	Mike Mangan	REBGV - Vancouver
May 7	Tax Tips for Selling Real Estate	Don Nilson	CADREB - Chilliwack
May 7	Applied Ethics in Real Estate	Kim Spencer	VIREB - Nanaimo
May 9	Foreclosures and Court Ordered Sales	Jack Micner	KREB - Fairmont Hot Springs
May 9	Technology Tools for REALTORS (am session)	Glenn Temes	KADREA - Kamloops
May 9	Technology Tools for REALTORS (pm session)	Glenn Temes	KADREA - Kamloops
May 22	Know Your Product	Will Graham	OMREB - Kelowna