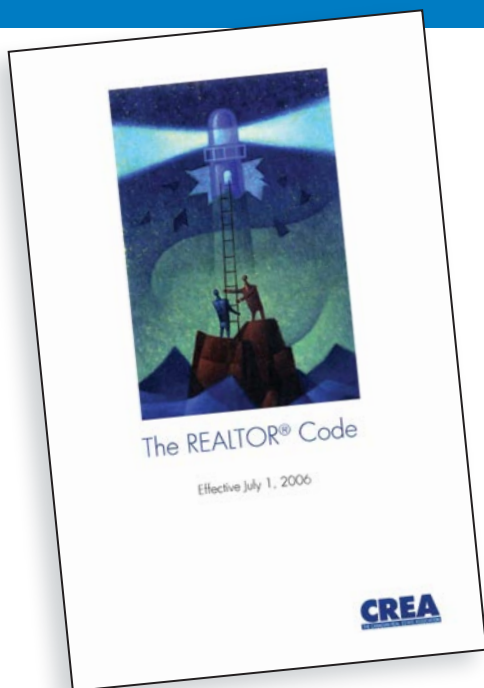




BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

the bulletin



**18 focus groups,
8,123 REALTOR® responses.**

**Three years of development
and discussion.**

Three national task forces.

The result? The new REALTOR® Code of Ethics, which goes into effect July 1. The new code—officially the REALTOR® Code—was approved by members at the CREA AGM in April 2005.

The challenge was to make the REALTOR® Code relevant in today's real estate market. It needed a more modern approach. The volunteer leaders involved in this project wanted a REALTOR® Code with simplified wording, to make it clear and concise, and they wanted the code to set the standards for what it means to be a REALTOR®.

**Here are some new areas covered
by the code:**

Articles 13 and 14 deal with advertising and the Internet. The first interpretation of Article 13 clearly

Highlights of the New REALTOR® Code

states the website of a REALTOR® is an advertising vehicle.

Article 21, Principal (Broker) Responsibility. In the existing code, all articles are directed at REALTOR® conduct in the course of transactions. However, it has been apparent in many cases that the conduct in question would never have occurred, or may have been prevented, if the broker had exercised adequate supervision of the office activities. Article 21 doesn't set up a system of absolute liability that makes a principal responsible for all of the conduct of all salespersons, but the principal is obligated to exercise reasonable supervision.

Article 26, CREA Trademarks. The interpretations cover the validity of trademarks, how they can and cannot be used in Internet applications. Trademarks are viewed as an extremely valuable asset for all of real estate, and this new REALTOR® Code spells out protection for the first time.

Article 27 deals with the new area of intellectual property, a phrase used to describe rights in property of an intangible or intellectual nature.

Some of the existing requirements are also changing:

Article 3 expresses the legal obligation of REALTORS® to protect and promote the interests of their clients. It also clearly balances this legal obligation with the ethical duty to treat all parties fairly, regardless of

the nature of the representation. A REALTOR®, as an agent, is obligated to advance the client's interests to the best of his or her ability, but must never lose sight of the concepts of basic fairness to all.

Article 4, which establishes the obligation of REALTORS® to "discover facts pertaining to a property" has undergone radical revision. The new wording applies equally to buyer agents, who must take reasonable steps to ensure they discover facts about properties their clients might be interested in buying.

The previous wording of Article 10 said REALTORS® shouldn't discourage parties from seeking legal advice. Due to the complexity of many transactions, this article has been expanded so REALTORS® must actively encourage parties to seek the assistance of other professionals. It should, after all, be part of the skill set of the REALTOR® to recognize when outside advice is necessary.

I N S I D E

President's Report Page 2
REALTORS® are unique

Education Page 3
What REALTORS® are saying about cpe

Trends Page 4
Improving public perception

Real Estate Sector Page 5
Partnerships for communities

Education Page 6
cpe course schedule

I S S N 1 1 9 5 - 4 4 0 X

President's Report

REALTORS® Are Unique

Unlike many professionals, we're deeply involved in the lives of our clients. When families grow, we may know even before grandparents. We deal with estates, divorces, job changes, moves across the country. In commercial real estate, we help strengthen local economies through new investment and construction, which translate into jobs.

Because of this deep understanding of our communities and their residents, we're uniquely positioned to comment as experts on what our communities want and need. That's why I'm completely sold on the Quality of Life philosophy and the impact it has on REALTORS®, boards and all British Columbians.

Ever had an ah-ha moment? When things you've looked at for a long time suddenly snap into focus? I had one when I got my first pair of eye-glasses. The first clear night I wore them, I was amazed to discover that stars were tiny, intense pinpoints of light instead of soft, fuzzy globes.

Like those glasses, Quality of Life gives us a new way to look at the world. This new vision allows us to make a shift away from being a self-serving profession, to one that's recognized as supporting and building better communities.

For example, if funding for policing was drastically cut, resulting in fewer officers on the streets, think about the impact on safety. Would that affect real estate values and activity? Absolutely. What a great opportunity for local real estate boards and REALTORS® to get involved.

Taking reasonable, balanced actions, and publicly declaring our positions, will increase our profession's credibility and influence. During and after Government Liaison Days in April, we witnessed the power of Quality of Life in the positive reactions of government and opposition MLAs.

Real estate boards around the province are already at the forefront of this kind of thinking, and I'm excited about



President *Kelly Lerigny*

what they can achieve with the support of REALTORS®. When we improve our ability to work with decision makers, we ultimately ensure a great future for our profession in healthy, sustainable communities.

Thanks for your encouragement and support. I'm so proud to be a REALTOR® and to have the enormous privilege of being your President this year.

Kelly Lerigny
President

Board of Directors 2006-2007

Long-Range Plan Principles

1. Demonstrating leadership through effective communication with member boards, REALTORS® and the public
2. Demonstrating the professionalism of REALTORS®
3. Strengthening membership relations
4. Providing service and support options for member boards
5. Building on the role and recognition of BCREA in the development and delivery of excellent education products and services
6. Leading provincial advocacy efforts and providing valued advice on behalf of the profession
7. Demonstrating public interest by integrating the Quality of Life philosophy in BCREA programs
8. Building and strengthening relationships with external stakeholders

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What REALTORS® Are Saying About cpe



Staying on the cutting edge is the key to REALTOR® success. BCREA's Continuing Professional Education (cpe) courses help you do exactly that. Last year, industry-leading instructors delivered cpe courses to more than 9,200 real estate professionals across BC.

According to student evaluations, cpe courses offer something for the rookie and the seasoned veteran. In 2005, 30 per cent had been licensed between six and 15 years; 30 per cent for more than 16 years. Eighty-four per cent found what they learned very useful. Over 81 per cent studied the subject matter for the first time, demonstrating

BCREA's commitment to providing the latest information.

Courses also address specialties, including residential and commercial, brokers and property managers. In 2005, BCREA offered more than 35 cpe courses on topics from legal issues and business ethics to marketing and risk management techniques.

BCREA develops and regularly updates cpe courses, which are delivered to REALTORS® by local real estate boards. Your feedback goes a long way in assisting BCREA meet the demand for high-quality, practical courses.

For more information about cpe courses, visit BCREA's REALTOR Link® page or contact your local real estate board. For general information, contact Val Nelson at 604.742.2788 or vnelson@bcrea.bc.ca.

"Essential information with great examples direct from real estate business." –Janice Sommerfeld, on *Legal Update*

"A must for every REALTOR® to attend." –David Moore, on *Selling Tenant-Occupied Properties (STOP)*

Government Relations

REALTORS® and MLAs Consider Housing Options

Speaking with a united voice continues to benefit the profession. During Government Liaison (GL) Days in April, MLAs offered strong support for recommendations to help expand market and rental housing options in BC.

The recommendation that government introduce a public consultation process to identify ways to expand housing options received overwhelming support from both sides of the legislature—a rare occurrence. BCREA's Quality of Life philosophy, which was used to frame the issue, was well received by many MLAs.

More than 42 MLAs—including Premier Campbell—took a brief leave from their duties to renew acquaintances and forge new relationships with members of the real estate profession. By setting a positive and constructive tone, REALTORS® established credibility and gained the trust of both sides of the House.

BCREA is developing a follow-up plan to help move discussions forward. With a provincial housing strategy announcement expected later this spring, the timing is perfect to leverage the profession's strength, advance its recommendations and take a leader-



From left, **Gordon Maroney**, Premier **Gordon Campbell**, **Kelly Lerigny** and **Dave Barclay**

ship role on provincial issues.

Questions? Contact Steve Olmstead, BCREA Manager of Government Relations, at solmstead@bcrea.bc.ca.

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Improving Public Perception

Establishing a sense of trust in clients is one of the most important things REALTORS® can do to help their business grow. Although this can be a difficult concept to internalize, you can use your clients' perceptions as an initial benchmark to analyze your progress.

The 2006 edition of the "Profession Barometer," Leger Marketing's annual public survey of the most trusted occupations, tells a tale of mixed blessings. According to the study, 42 per cent of Canadians and 36 per cent of British Columbians trust REALTORS®, up 2 per cent and 6 per cent, respectively, from 2005. Although these figures represent an improvement, it's clear the issue of public perception remains a priority.

From a REALTOR® perspective, BCREA's 2006 survey revealed a relatively even split with respect to public perception, and almost exactly repeats the results from the 2005 survey. While more than 40 per cent of REALTORS® believed the public's perception of the profession was positive, over 36 per cent were neutral and more than 20 per cent thought it was negative.

In 2005, REBGV and FVREB commissioned "Opening Doors: A Marketing Best Practices Guide for Realtors," which examined the impact of marketing practices on the public perception of organized real estate. The results of this study also revealed a bittersweet message. Eighty-nine per cent of public respondents said they were either very confident or somewhat confident in the job REALTORS® do, and 80 per cent of respondents who had used a REALTOR® in the past three years would refer their REALTOR® to others.

However, 77 per cent felt REALTORS®' marketing efforts could be improved to some degree. Focus groups of REALTORS® also revealed a sense of frustration with current advertising practices. Many believed the competition to portray oneself as the "best" tended to lower the impression of REALTORS® as a whole.

Raising the bar

What can you do to help raise the profile of your business and the profession, as a whole? How can you instill the sense of trust in your clients to create positive relationships?

This year, most BC boards have begun implementing the Professional Development Program (PDP), a continuing education program designed to help you stay on top of practice issues and other changes, demonstrate your professionalism, inspire confidence in your clients, advance your career and help you manage risks.

It's also a good idea to become familiar with the new REALTOR® Code, which comes into effect on July 1. The code was revised to raise the standard of professionalism throughout organized real estate and to help you succeed at the same time. By letting your clients know about the code, you'll demonstrate your commitment to the highest professional standards.

Resources on REALTOR Link®

"Great Expectations," The Canadian Real Estate Association.

"Opening Doors: A Marketing Best Practices Guide For REALTORS®," Fraser Valley Real Estate Board and Real Estate Board of Greater Vancouver.



Real Estate Sector

Partnerships for Communities

Community building is at the heart of the real estate profession. Through its Quality of Life philosophy, BCREA is committed to supporting growth that encourages economic vitality, provides housing opportunities and builds communities with good schools and safe neighbourhoods. The 12 real estate boards and their member REALTORS® have always been active in their communities, and Quality of Life ensures BCREA reflects that work.

Want to get involved, but don't know where to start? Here are just a few examples of some community-building projects and their relationship to the Quality of Life philosophy.

Building better communities

Surrey Sustainable Design Charrette:

In 1998, the Fraser Valley Real Estate Board hosted a symposium to evaluate the practicality of green infrastructure. Local REALTORS® provided valuable information on the marketability of smaller lots and more sustainable infrastructure standards.

Managing Growth in the Capital Region:

The Victoria Real Estate Board sponsored a competition to brainstorm ideas about the effects of growth in the Greater Victoria area. The competition was open to secondary school students, with the winning schools receiving a prize of \$10,000.

Safe House for Youth:

In 1998, the Kamloops & District Real Estate Association (KADREA) worked with local youth organizations, as well as government and municipal officials, to establish the Safe House. KADREA was instrumental in securing operational funding from the provincial government.

Hope House Women's Shelter:

The Okanagan Mainline Real Estate



Photo courtesy of the Okanagan Mainline Real Estate Board and The Real Estate Foundation of BC.

Board's Kelowna Division donated \$10,000 to reduce the mortgage on the transition house, with an additional \$68,000 awarded by The Real Estate Foundation of BC for renovations. Individual board members represented the Foundation and the project in local media coverage.

Ensuring housing opportunities

Origin of Purchasers research:

The Kootenay Real Estate Board provided demographic and buyer motivation information for buyers migrating to the Kootenays. This information is critical in helping communities develop growth strategies.

Grand Forks & District Housing Study:

Local REALTORS® assisted with the Grand Forks Housing Inventory and vacant land suitable for housing.

Even with the work of the boards and REALTORS®, these projects wouldn't be possible without the support of The Real Estate Foundation of BC. In May 2006, the Foundation also donated \$40,000 to support the Okanagan

Partnership initiative. The grant, which matched the amount already committed by the Okanagan's three regional districts, will support the Partnership's regional planning framework to help create an informed decision-making process in the face of growing demand on land, water and transportation resources.

For more information about community-building projects in your area, visit The Real Estate Foundation of BC's website at www.realestatefoundation.com.

BCREA looks forward to assisting community-building initiatives for generations to come. For more information about the Quality of Life philosophy, visit www.qualityoflife.bcrea.bc.ca.



Chilliwack and District Real Estate Board

June 28, Chilliwack, *Applied Ethics in Real Estate* (6 PDP credits), Kim Spencer

Fraser Valley Real Estate Board

June 20, Surrey, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Brian Taylor

July 20, Surrey, *Negotiating and Presenting Offers* (6 PDP credits), Richard Collins

July 28, Surrey, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Brian Taylor

August 2, Surrey, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Brian Taylor*

August 10, Surrey, *Legal Update 2005-2006* (6 PDP credits), Mike Mangan

Real Estate Board of Greater Vancouver

June 20, Vancouver, *Negotiating and Presenting Offers* (6 PDP credits), Richard Collins

June 21, Vancouver, *Legal Update 2005-2006* (6 PDP credits), Mike Mangan

June 22, Vancouver, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Leslie Howatt

June 23, Vancouver, *Professionalism—It Pays! Be Safe or Be Sued* (3 PDP credits), Mike Mangan

June 29, Vancouver, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Richard Collins*

July 13, Vancouver, *Risk Management for Commercial REALTORS® and Property Managers* (6 PDP credits), Joe Mendes

July 14, Vancouver, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Jim McCaughan

July 20, Vancouver, *Representing Buyers in the Sale of New Homes and Condominiums* (6 PDP credits), Gerry Halstrom

July 25, Vancouver, *Win/Win: Conflict Resolution Skills for REALTORS®* (6 PDP credits), Gerald Clerx

July 27, Vancouver, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Richard Collins

August 9, Vancouver, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Jim McCaughan

August 16, Vancouver, *Selling Time Shares, Hotel Strata Lots, Cooperatives and Other Forms of Real Estate* (6 PDP credits), Adrienne Murray

Vancouver Island Real Estate Board

June 29, Nanaimo, *Applied Ethics in Real Estate* (6 PDP credits), Kim Spencer

June 30, Nanaimo, *What Brokerages and REALTORS® Need to Know About Agency* (6 PDP credits), Kim Spencer

July 5, Parksville, *Risk Management for REALTORS®* (6 PDP credits), Kim Spencer

Victoria Real Estate Board

June 23, Victoria, *Selling Tenant-Occupied Properties (STOP)* (6 PDP credits), Evelyn McNulty

*For managing brokers, associate brokers and sole proprietors only.

Check with your local board office for last-minute changes. Look for more cpe courses on BCREA's REALTOR Link® homepage, under Education.



Victoria, BC—April 24, 2006.

Then-BCREA President Dave Barclay (right) and Doug Rundell (left) of BC Assessment signed a five-year data exchange agreement. The contract provides REALTORS® with access to more than a dozen new fields of property information, including number of stories, bedrooms, bathrooms, garages and information about the foundation and when improvements were made.