



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

the bulletin

Changes to Standard Forms

Standard forms are integral to real estate transactions.

For REALTORS® to better serve their clients, it is crucial that these forms are easily accessible. To improve the way that Realtors navigate WEBForms® and find the standard forms they need, BCREA has worked to make changes to form titles, as well as to the form categories.

On February 2, 2016, WEBForms® reorganized standard forms under new categories on a provincial level. The new categories include:

- Agency General;
- Agency Seller;
- Fees/Commission;
- Leasing/Rental; and
- Transactions

Further, the following categories: Listing, Sales and Residential/Manufactured Home Tenancy Forms, are no longer available on the Provincial Forms tab on WEBForms®. However, Realtors should note that the categories under the Boards tab have not changed.

Below is a full list of the new categories, and under which category each of the BCREA standard forms will be located:

Agency General

▶ BCREA STANDARD FORMS:

- Limited Dual Agency Agreement
- Limited Dual Agency Agreement Additional Buyer
- *Working With a REALTOR®* Brochure

Agency Buyer

▶ BCREA STANDARD FORMS:

- Buyer Agency Acknowledgment
- Buyer Agency and Remuneration Agreement

Agency Seller

▶ BCREA STANDARD FORMS:

- Multiple Listing Contract
- Property Disclosure Statement – Residential
- Property Disclosure Statement – Land Only
- Property Disclosure Statement Rural Property – Land and Building
- Property Disclosure Statement Rural Property – Addendum – Land and Building
- Property Disclosure Statement – Strata Title Properties
- Fee Agreement Buyer Pays (Buyer and Seller Not Represented)
- Fee Agreement Buyer Pays (Seller Represented Buyer Not Represented)

Commercial

▶ BCREA STANDARD FORMS:

- Contract of Purchase and Sale – Business Assets
- Contract of Purchase and Sale for Commercial Real Estate
- Contract of Purchase and Sale for Commercial Real Estate Schedule

Fees/Commission

▶ BCREA STANDARD FORMS:

- Fee Agreement Buyer Pays (Buyer and Seller Not Represented)
- Fee Agreement Buyer Pays (Seller Represented Buyer Not Represented)
- Fee Agreement Seller Pays (Buyer Represented Seller Not Represented)
- Fee Agreement Seller Pays (Buyer and Seller Not Represented)
- Fee for Service Retainer Agreement

Leasing/Rental

▶ BCREA STANDARD FORMS:

- Agreement Under Section 27(4) of RESA (Offer to Lease General and Offer to Lease Holding Brokerage)
- Authority to Lease
- Exclusive Authority to Lease
- Exclusive Tenant's Agency Contract
- Exclusive Tenant's Agency Contract Schedule "A"
- Lease Report and Payout Instructions
- Offer to Lease
- Offer to Lease – Addendum

Service/Administration

▶ BCREA STANDARD FORMS:

- Presale Transaction Cross Reference List

Transactions

▶ BCREA STANDARD FORMS:

- Deposit: Purchase Deposit Not Held by Brokerage
- Deposit: Purchase Deposit Held by Other Brokerage
- Assignment of Contract of Purchase and Sale – New Development
- Assignment of Contract of Purchase and Sale – Non-Developer
- Assignment of Contract of Purchase and Sale Addendum
- Tenant Occupied Property – Buyer Notice to Seller for Vacant Possession
- Buyers Notice to Seller for Vacant Possession
- Contract of Purchase and Sale
- Contract of Purchase and Sale Addendum
- Contract of Purchase and Sale of a Leasehold Interest in First Nations Reserve Lands
- Contract of Purchase and Sale of a Leasehold Interest in First Nations Reserve Lands – Leasehold Assignment
- Contract of Purchase and Sale of a Leasehold Interest in First Nations Reserve Lands – Addendum
- Contract of Purchase and Sale of a Manufactured Home on a Rental Pad
- Contract of Purchase and Sale of a Manufactured Home on a Rental Pad – Addendum

President's Report

Submitting Our Flight Plan

Some of you may know that I'm a passionate aviator – I love planes and everything to do with them. As I write my final report for *The Bulletin* as President, I've been thinking about what we've done over the past few months as preparing a flight plan.

What does that mean, you may wonder? Well, a flight plan is prepared by every pilot in advance of a flight. It outlines your departure and arrival points, the flight path you will take, how long the flight will be, the fuel you'll need and what alternate airports are available in case of trouble. It is an essential document for any flight.

There has been a dedicated group of REALTORS®, staff and experts working intensely to build the flight plan for a new structure for the real estate profession in BC. They've looked at our current state of affairs (our departure) and made some suggestions about where we need to go. They've looked at the path we need to take and the resources needed to get there.

In the coming weeks, we will be getting together all our member board Presidents, President Elects and Executive Officers to take a look at that flight plan and prepare for take-off.

Shortly, we will start engaging with Realtors across the province to share the flight plan and provide more details about the destination, and welcome you on-board. As with any flight, there is great anticipation about the final destination and we want you to help us chart the course. And we expect that there might be some turbulence, so be sure to keep those seat belts fastened!

I'm stepping down from my time as President at an inspiring time. It is an exciting thing to see tangible progress on a topic that has been discussed for many months. I hope that you will be engaged in the discussions to come and I'm looking forward to celebrating our safe arrival at our destination.



President Scott Russell

Scott Russell
President



PS. Thank you to the almost 2,500 Realtors who responded to our reader survey. I'm pleased to announce that Al Mottishaw is the winner of our \$250 gift card. Congratulations!

Board of Directors 2015-2016

Core Ideology

Core Purpose

Ensuring the continued value of REALTORS® to consumers.

Core Values

- Member board vitality
- REALTOR® success
- REALTOR® professionalism
- Quality of Life
 - Ensuring economic vitality
 - Providing housing opportunities
 - Preserving the environment
 - Protecting property owners
 - Building better communities
- Public trust

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BC Economy Outshines the Rest of Canada



BCREA Economist
Brendon Ogmundson

The amount of pessimism that has greeted 2016 is enough to make even an economist blush. Yes, equity markets are off to a historically bad start, while the loonie dives and oil prices struggle to find a floor.

Further, the Canadian economy is experiencing a rough patch and growth is slowing. But when viewed through the lens of the BC economy, the outlook is much brighter. In fact, a host of indicators point to significant momentum underlying our provincial economy.

In 2015, a key indicator for the single largest component of the provincial economy – consumer spending and retail sales – grew at the fastest pace in close to a decade. This growth largely reflected markedly improved labour market fundamentals.

In particular, employment growth, which has lagged far behind for several years, took off in the latter half of 2015, growing at more than a 2 per cent rate over the final six months of the year.

Moreover, the main driver of that growth was in full-time employment which led

to increased hours worked and close to a 4 per cent jump in average wages.

In 2015, a key indicator for the single largest component of the provincial economy – consumer spending and retail sales – grew at the fastest pace in close to a decade.

With these numbers, it's no surprise that BC households were in a mood to spend – and not just on consumption goods. Bigger paycheques and confidence in the BC economy also contributed to the third highest year on record for provincial home sales.

The relative strength of the economy is acting as a magnet for interprovincial migration, pulling workers that are frustrated by rising unemployment in Alberta and elsewhere, back to BC in hope of finding a job.

Since 2013, BC has received a net inflow of more than 30,000 people

from other provinces, which helped to boost population growth and added to an already strong housing and consumer demand.

In fact, demand for housing is so high that the supply of re-sale and new housing in the province approached all-time lows last year.

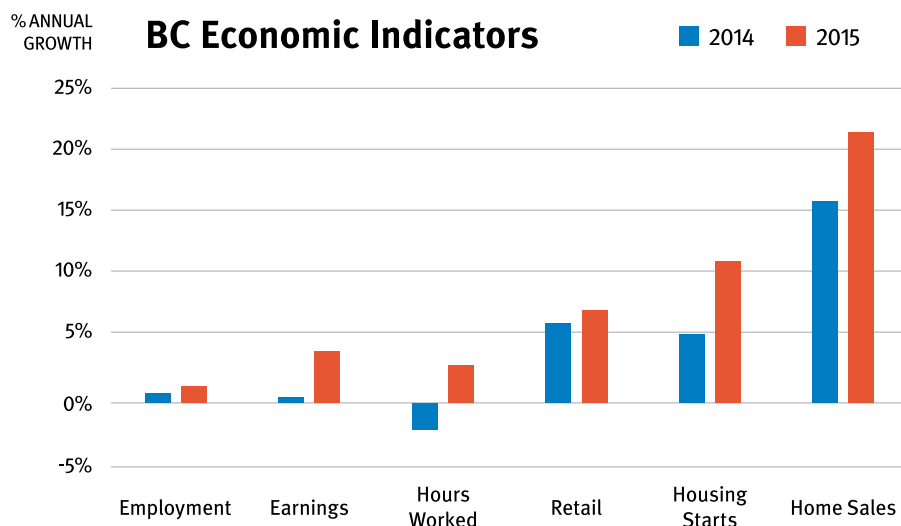
In response, developers broke ground on over 30,000 new housing units in 2015, the highest number of housing starts since 2008.

Although merchandise exports were hit by low commodity prices, tourism in the province was given a boost by the lower loonie and a resurgent US economy. Total overnight visitor arrivals from the US and other international locales were up close to 8 per cent last year, including a record-setting year for visitors to Vancouver.

All of this adds up to a refreshingly optimistic outlook for the BC economy in 2016.

The upswing in job growth to end the year should provide continued momentum for consumer spending and the housing market, while a strong US economy and low loonie will provide a boost to growth in exports.

BC's economy is expected to remain a growth leader in Canada, not just this year but for years to come.



SOURCE: STATISTICS CANADA, BCREA

Earn PDP Credits by Attending Industry Events



Industry
Category C Event



As of January 1, 2016, BC REALTORS® can earn Professional Development Program (PDP) credits by attending a selection of regional, national and international industry events.

BCREA and its 11 member real estate boards recognize the value that industry events contribute to the professional development of Realtors.

By accrediting industry education events, the PDP is following best practices in professional education followed by many other professions.

You can now earn PDP credits by attending industry events, such as the Vancouver Real Estate Forum, CREA's Commercial Conference, CMHC's Annual BC Housing

Outlook Conference, Inman Connect and the Swanepoel T3 Summit.

You can find the roster of accredited events on BCREA's website <http://www.bcrea.bc.ca/docs/education-documents/web-pdf-2016-roster-of-accredited-events.pdf>, or in BCREA's Learning Path Tool: <http://learningpaths.bcrea.bc.ca/bcrea-lp/>. You can also contact your real estate board - <http://www.bcrea.bc.ca/about/member-boards>.

BCREA accredits a select – rather than all-inclusive – roster of industry events that best meet the needs of BC Realtors. The roster will be updated with additional events throughout the year.

To receive 3 Category C PDP credits for attending an accredited industry event, Realtors must submit proof of

registration, in their name, to their member board education department or contact.

A certificate of completion or transcript will also be considered as valid proof. Credits will be applied to the cycle during which the event takes place and will be added to their education history upon receipt of proof of registration.

Realtors can take a maximum of 2 events – or 6 of their required 18 PDP credits – for credit in their PDP cycle. You can attend as many as you like, but only 2 events at 3 credits each will count towards your 18 PDP requirements in each PDP cycle.

To learn more, visit <http://www.bcrea.bc.ca/realtor-education/new-pdp/category-c>.

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New Online PDP Competition Law Course Now Available

Did you know that Competition Law can affect how you conduct marketing, advertising, and social media?

For example, making a sales performance claim may violate the Competition Act, as advertising claims must be based on “an adequate and proper test.”

According to Article 15 of the REALTOR® Code, you must include the time frame, source, and geographical area to back up any claim.

Delivered through REVIA: The Real Estate Knowledge Network, the new online course, *Competition Law for REALTORS®*, is designed to give Realtors practical and clear guidance to help them recognize and avoid competition law issues.

Covering topics such as: Enforcement, Conspiracy, False and Misleading Representation, Advertising and Compliance Requirements, Abuse of Dominance and Price Maintenance, the course aims to teach Realtors to recognize business practices that likely violate competition law.

"The course was an excellent review of competition law for REALTORS®."

Richard Collins, General Manager,
Prompton Real Estate Services Inc.

"It's an important and relatively complicated subject matter explained clearly."

Kim Mantle, Manager,
Education and Member Service,
Victoria Real Estate Board

Completion of this course awards 3 Category B PDP credits.

Go to www.revია.ca to register for *Competition Law for REALTORS®*.

Instructor Development Workshop

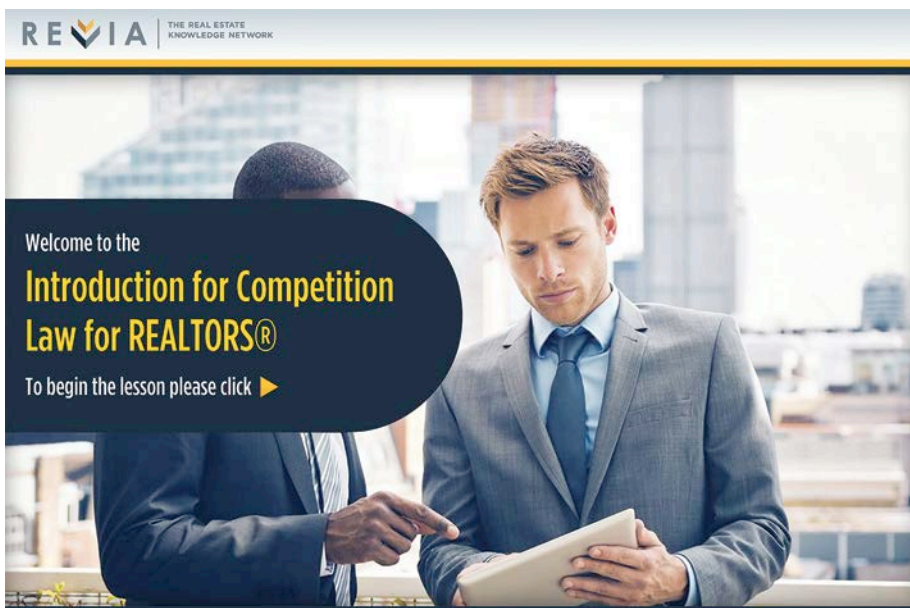
BCREA's Education team invests a lot of time and energy in helping our Professional Development Program (PDP) and Applied Practice Course (APC) instructors enhance their instruction. The Instructor Development Workshop (IDW) held late November 2015 was aptly titled "Heroic Moments," and course instructors from across the province met to reflect on the classroom, online and blended learning innovations in the PDP, and the successes and lessons learned for the new APC. At the workshop, participants shared key instructional strategies and brainstormed on quality assurance work for course content and delivery.

In anticipation of the improvements being made to the use of technology in the classroom, BCREA presented the first look at a new class polling system that will be implemented in late 2016, replacing iClickers and allowing for polling through course participants' smart phones. BCREA also gave a preview of its new data visualization tool, which will allow BCREA, the Real Estate Council of BC, member boards, and instructors the ability to view course analytics and evaluation results in real time.

Participants come to IDW in search of tools to make them better instructors and leave with the inspiration to make them leaders in delivering innovative learning experiences to REALTORS®.



The Honorable Andrew Wilkinson – BC Minister of Advanced Education – spoke to instructors during the IDW dinner, celebrating the innovations in REALTOR® Education as a key support mechanism for workplace readiness in the province.



Practical Points

Interest on Brokerage Trust Accounts

Did you know that the Real Estate Foundation of British Columbia has approved over \$70 million in grants for non-profit projects throughout BC?

The Foundation's grants fund non-profit organizations engaged in projects that support sustainable land use in BC and professional excellence in the real estate sector.

By increasing the sustainability of BC's land, water, food and built environment, as well as supporting real estate industry projects that provide British Columbians with the services of leading real estate professionals, the Foundation helps to grow the long-term value and appeal of BC communities.

The money for grants comes from the interest generated on deposits made by real estate transactions into pooled brokerage trust accounts. According to Section 29 of the *Real Estate Services Act*, brokerages must maintain interest-

bearing trust accounts.

In the early days of the Foundation's existence, brokers individually negotiated the interest rates payable on trust accounts with financial institutions and remitted the interest directly to the Foundation. That arrangement placed a significant administrative burden on both the Foundation and on brokerages.

As a result, the Foundation worked with financial institutions to consolidate trust account reporting, resulting in a single monthly interest calculation from each institution at agreed-upon rates and service charges negotiated between the Foundation and each financial institution (i.e., banks and most credit unions).

The Foundation receives monthly reports and interest directly from each financial institution.

There is considerable variation among the interest rates provided by financial institu-

tions, with credit unions often providing higher rates and lower or eliminated service charges.

BCREA recommends, wherever possible, for brokerages to ask their financial institutions about the interest charged on their brokerage trust accounts and to take that rate into consideration when selecting financial institutions.

Considering the positive impacts of the Foundation's grant making for real estate professionals and their communities, this is a concrete opportunity to ensure that the Foundation continues to have sufficient resources.

For more information on the Foundation's grants, please visit www.refbc.com. For more information on brokerage trust accounts and interest rates, please contact Christian Hansen at the Foundation (604.343.2627 or christian@refbc.com).

▶ "About BCREA"

BCREA has created an "About BCREA" video.

This short video introduces BCREA to its members and partners, shares what we do, details the services we provide, demonstrates where your monthly dues go, and ensures that REALTORS® know how the Association can enhance your relevancy and improve your business.

Watch the video on the BCREA homepage (www.bcrea.bc.ca)

