

Fiscal Roundup and Looking Ahead

Webinar for Managing Brokers

May 18, 2023

BCFSA BC Financial
Services Authority

Classification: Public





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(Squamish Nation)
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Speakers

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Manager, Policy

BRUCE MCCOUBREY
Practice Standards Advisor

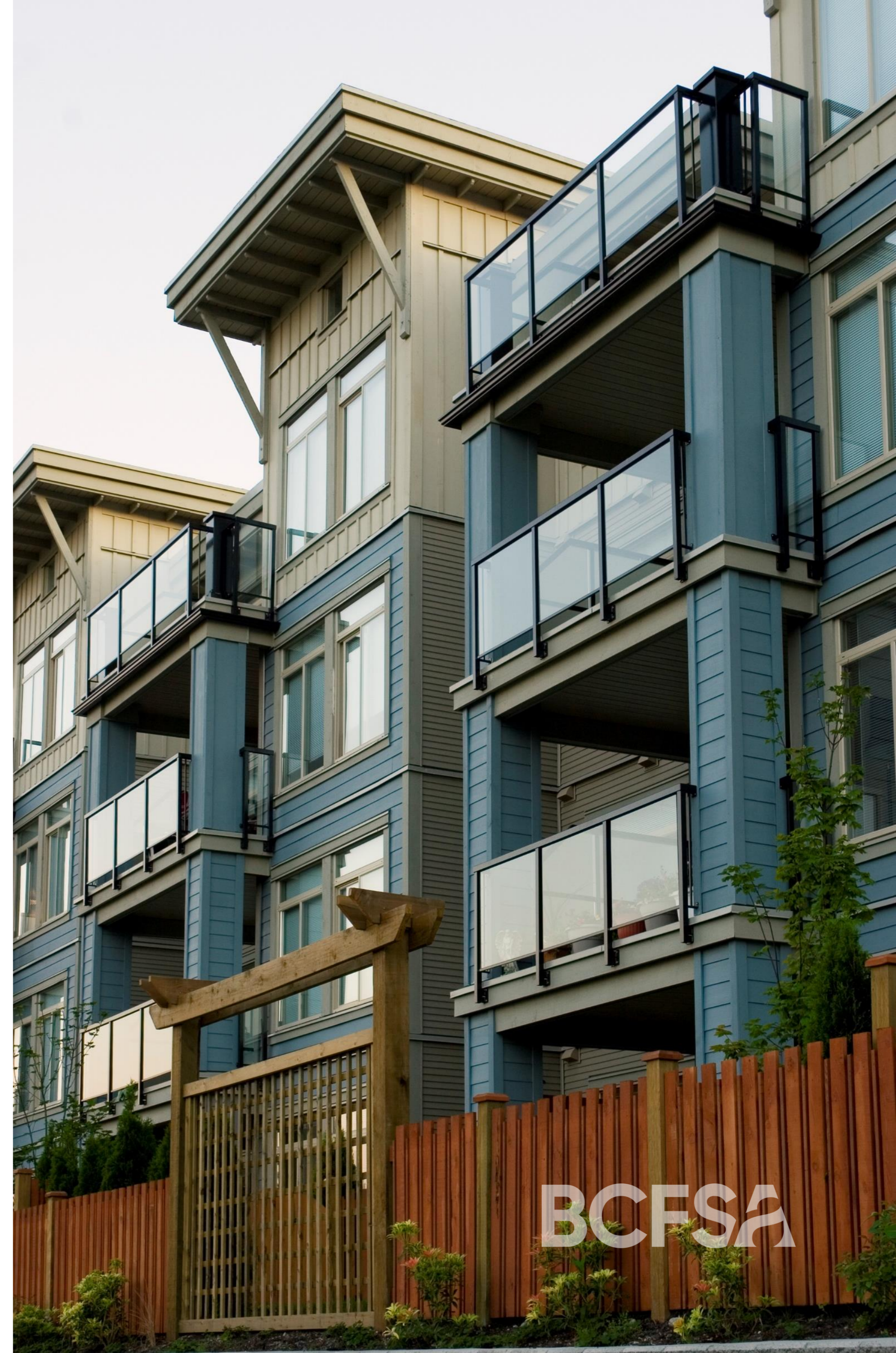
Agenda

- **Real Estate Data Call Update**
- **Brokerage Annual Filings Update**
- **Regulatory Roadmap**
- **Real Estate Teams Update**
- **Complaints Data**
- **BCFSA Core Values**
- **AML/PCMLTFA Update**
- **Reminders and Wrap Up**

Real Estate Data Call Update

Data Request Overview

- BCFSA requested information from trading services brokerages on transactions between February 19, 2023 – March 18, 2023:
 - Residential sales
 - Rescission notices



Preliminary Highlights

- Over 1,100 brokerages and branch offices invited to participate
- Approximately two-thirds responded
 - 400+ brokerages reported at least one residential sale during the reporting period
 - >3,000 residential real estate transactions
 - <10% of brokerages reported preparing or receiving at least one rescission notice
 - The balance provided nil responses (i.e., no transactions or rescission notices to report)



Next Steps

- Data analysis underway
- Summary Report: Summer 2023



Brokerage Annual Filings Update

New In 2023

- January webinar – “Brokerage Filings: What’s New”
 - Overview of changes to annual filings in 2023
 - Refer to slides and recording on BCFSA website
- Reminder that information about use of the Home Buyer Rescission Period must be submitted with brokerage annual filings
 - Any portion of brokerage fiscal year after January 3, 2023



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Overview of Required HBRRP Information

PROPERTY INFORMATION:

- Civic address
- Parcel ID (PID) number
- Property type

KEY TRANSACTION DATES & DETAILS:

- Listing price on date of offer acceptance
- Accepted offer price
- Date of offer acceptance
- Whether brokerage represented buyer or seller

RESCISSION NOTICE INFO:

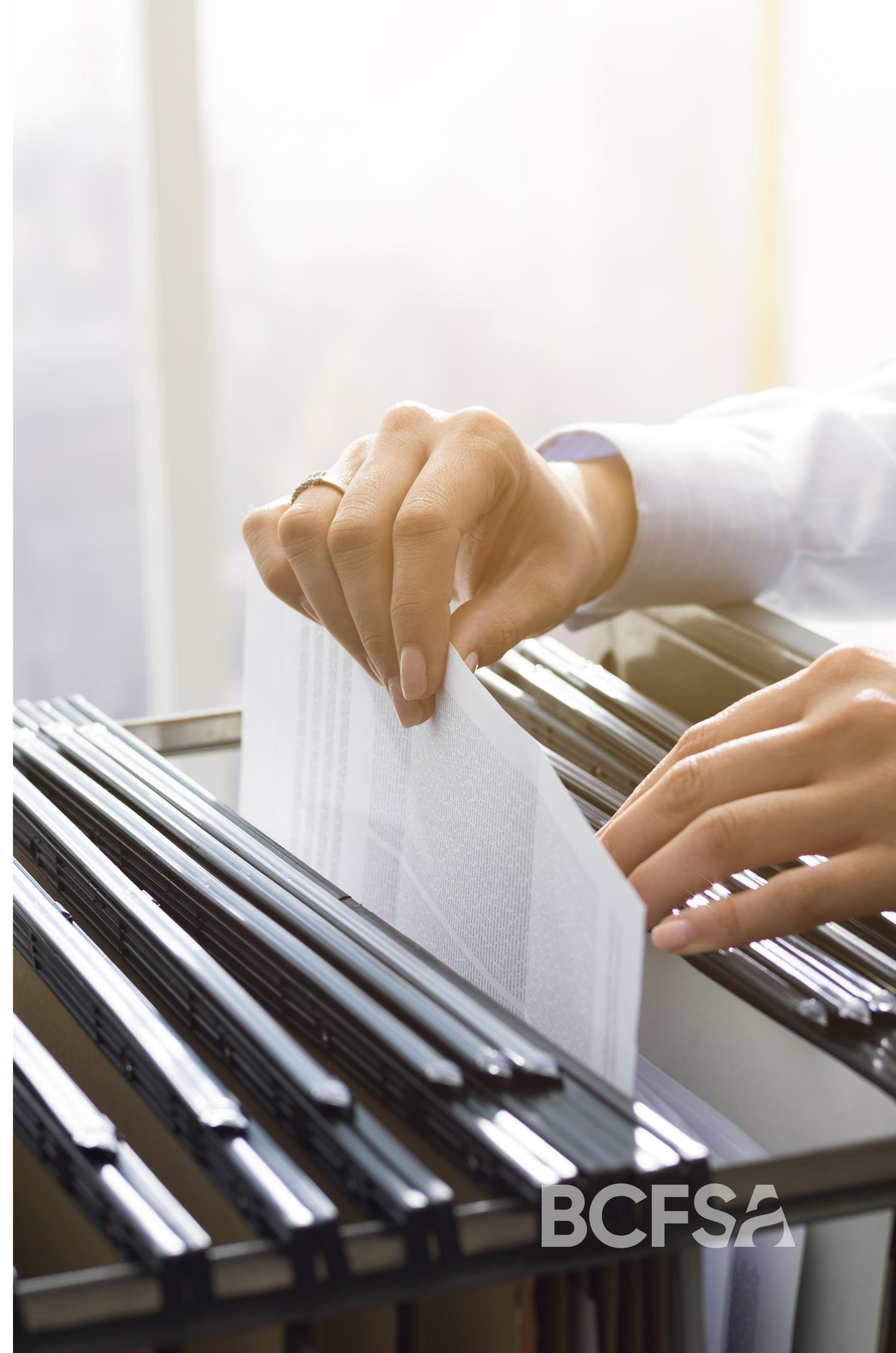
- Rescission notice date
- Amount of rescission fee

DEPOSIT DETAILS:

- Whether deposit was provided
- Deposit amount (if applicable)
- If deposit was held in trust account (if applicable)

How to File

- Reporting template available in IRIS
- Include HBRP information with annual filings
 - Mandatory to report information if your brokerage has received or prepared a rescission notice during your fiscal year
 - If nothing to report, brokerages can opt out
- Can refer to Brokerage Data Call FAQ for questions or contact BCFSA



Regulatory Roadmap

Priorities for Real Estate Segment

- Proactive oversight of industry
- Efficient and effective regulatory enforcement program
- Natural catastrophe and climate risk

APRIL 2023

2023/24 Regulatory Roadmap

BCFSA

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Highlights for Real Estate Segment

- Real Estate Data Collection – Annual Data Call and Information Sharing
- REDMA Consumer Disclosure Enhancements
- Education Enhancements – Applied Practice Courses for Managing Brokers, Rental Property, and Strata Managers
- Brokerage Governance and Accountability Plans



Real Estate Teams

Overview of New Rules

- Real Estate Services Rules have been amended, effective April 1, 2023
- Key changes to the Rules include:
 - Defining a “real estate team”;
 - Requiring all teams to register with BCFSA;
 - Team name must be identified in advertising; and
 - Clarifying business practices and agency relationships.



Implementation Highlights

- In April there were 83 calls regarding the changes to the teams Rules (8.5% of all calls)
- 10-15 per cent of calls to BCFSA Licensing are related to teams Rules
- Since April 1: 12 teams deregistered, 61 new teams registered



Reminders

- Use IRIS to submit all applications (including applications related to teams)
- Team members should submit application on their own behalf
- Managing brokers will still approve applications
- Include correct brokerage licence number on applications



Where to Find Information

BCFSA WEBSITE: KNOWLEDGE BASE

- Teams FAQs (Industry and Consumer)
- Teams Guidelines
- Team Information



Complaints Data

Data Overview For Last Fiscal Year

FILES OPENED

1,176

FILES CLOSED

1,681

EMERGING THEMES

- Conduct unbecoming
- Duties to clients
- Misrepresentation

BCFSA Core Values

Integrity

We act with honesty, openness, and transparency and hold ourselves accountable.

Courage

We think and act boldly to do the right thing.

Innovation

We embrace change and act creatively to fulfill our mandate.

Growth

We pursue opportunities to develop individually and as an organization.

Collaboration

We seek out and engage the best of what each of us has to offer, knowing we are stronger together.

Diversity, Equity, and Inclusion

We embrace diversity, equity, and inclusion and view it as a source of strength.

PCMLTFA / **FINTRAC Updates**

AML/PCMLTFA Updates

MORTGAGE BROKERS

- Will be designated reporting entities under PCMLTFA on **April 1, 2024**
 - Reporting obligations will be very similar to those of real estate trading services licensees
 - STRs
 - Large Cash Transaction Reports
 - Large Virtual Currency Transaction Reports
 - Terrorist Property Reports

FINTRAC will be providing more information on their website so check back often!



Frequently Asked Questions

Q: Who should submit the Teams application form?

A: One of the licensed team members should submit it, managing broker should not submit form unless they are a member of the team.

Q: I received an email stating that a team at my brokerage with a single licensed member has been de-registered by BCFSA. Can that licensee continue to advertise under their team name?

A: No, a team member must have at least two licensed members. Single licensee teams were de-registered on March 31 and cannot continue to advertise using their former team name.

Additional Questions?

Ongoing Communication and Support

**BCFSA
Website**

**Brokers'
Brief**

**Real Estate
Bulletin**

**Practice
Standards
Advisors**

**Managing
Broker
Webinars**

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**Thank
you.**