



Pan-Canadian Competency Profile for Real Estate Salespersons

who trade in residential and/or commercial real estate

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INTRODUCTION

Members of Real Estate Regulators of Canada (RERC) have come together to develop Real Estate Competencies for Salespersons and Brokers.

Jurisdictions in Canada use different terminology for these two roles, but in these profiles:

- We use the term “Salesperson” to describe the role of any person who is licensed to conduct real estate transactions on behalf of clients. Other terms include: Representative, Associate, Agent, Realtor, Courtier.
- We use the term “Broker” to describe the role of any person who is licensed as responsible for managing a real estate brokerage, as well as for overseeing the activities of the Salesperson. Other terms used include: Managing Broker, Authorized Official, Broker of Record, Executive Officer, Manager, Branch Manager, Dirigeant d’agence.

Both competency profiles will allow regulators, educators, individual practitioners, employers, and other stakeholders to work together: sharing terminology and definitions, expectations and goals, learning objectives, qualifications, development opportunities or training. The profiles provide succinct descriptions for real estate clients, customers, and the general public.

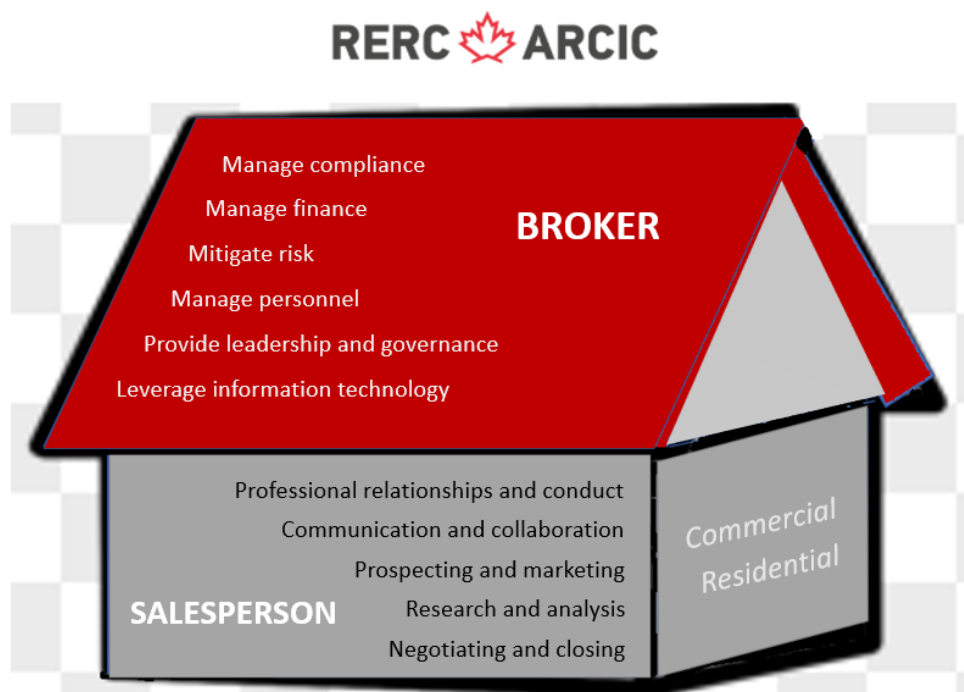


Figure 1. Mock-up of relationship between Broker and Salesperson

Figure 1 illustrates the framework which has been developed for the pan-Canadian profiles. It displays the typical relationship between the Broker and the Salesperson, along with the various work settings and competencies that apply to them.

This profile describes the competencies for Salespersons who trade in residential and/or commercial real estate.

The Salesperson competencies have been divided into 5 domains, as illustrated in Figure 2.



Figure 2. Salesperson domains

The **development** of the Pan-Canadian Real Estate Salesperson Competencies is the result of contributions from many sources and levels of consultation to ensure that the profile accurately captures the necessary competencies of Salespersons in Canada. The competencies reflect current trends in the profession and society, is informed by professional expertise, and meets the needs of a broad group of stakeholders.

In particular, the **sources and levels of consultation** include the following:

1. A pan-Canadian working group composed of 13 salespersons and brokers.
2. A Steering Committee made up of representatives from the regulatory bodies.
3. Provincial stakeholder consultations.
4. A pan-Canadian survey, which solicited input from salespersons and brokers across the country.
5. A project consulting team from CamProf Inc that has expertise in competency profile development.

For more information, contact [Real Estate Regulators of Canada](#).

HOW TO READ THE SALESPERSON COMPETENCIES

- The **26 competencies** are presented in **5 domains**. Each competency is intended to stand alone and the location and order of a competency within the 5 domains is not significant.

1. Professional relationships & conduct	2. Communication & collaboration	3. Prospecting & marketing	4. Research & analysis	5. Negotiating & closing
1.1 Fulfill agency obligations to clients	2.1 Communicate effectively	3.1 Promote own business	4.1 Conduct research	5.1 Manage documents and contracts
1.2 Manage clients' disclosure obligations	2.2 Advise clients as sellers or buyers	3.2 Coordinate the development of marketing material	4.2 Determine the quality and elements of a property	5.2 Explain financial implications
1.3 Protect public	2.3 Use communication and information technology	3.3 Promote property when representing the seller	4.3 Perform comparative market analysis	5.3 Manage offers and counter-offers
1.4 Comply with applicable laws and regulations	2.4 Establish meaningful relationships	3.4 Demonstrate business sense	4.4 Perform financial analysis	5.4 Negotiate with integrity
1.5 Mitigate risk to health and safety	2.5 Demonstrate respect for diversity			5.5 Close the transaction
1.6 Integrate professional obligations into practice				
1.7 Demonstrate commitment to continuous improvement				
1.8 Manage time, priorities, and work quality				

Figure 3: Salesperson competencies

- Each **competency** (1.1 – 5.5, shown in the first column) is defined using a short action statement describing what a real estate Salesperson must be able to perform to be considered competent at an entry-to-practice level. The verb used provides guidance as to the required level of performance.
- The **performance criteria** (1.1.1 – 5.5.5, shown in the second column) describe in detail the behaviours required for proficiency at entry-to-practice (for assessment, all performance criteria must be met).
- The **clarification** section in the back of the profile provides explanations, definitions, or additional information on the range of context for the performance criteria. Words or phrases that are clarified are underlined. Where terms appear more than once in the profile, the clarification relates to the term that has been flagged in the third column.
- A **scale of proficiency** clarifies to learners, educators, regulators, and assessors exactly what is expected of the Salesperson. Proficiency may evolve over time and when applied to different circumstances and contexts. For each competency, this document indicates the minimum level of proficiency that someone must achieve to become licensed, according to the scale in Figure 4. The level of proficiency is listed under each competency area.
- Associated **knowledge** for this competency profile will be dealt with as needed in each jurisdiction as part of the implementation process.

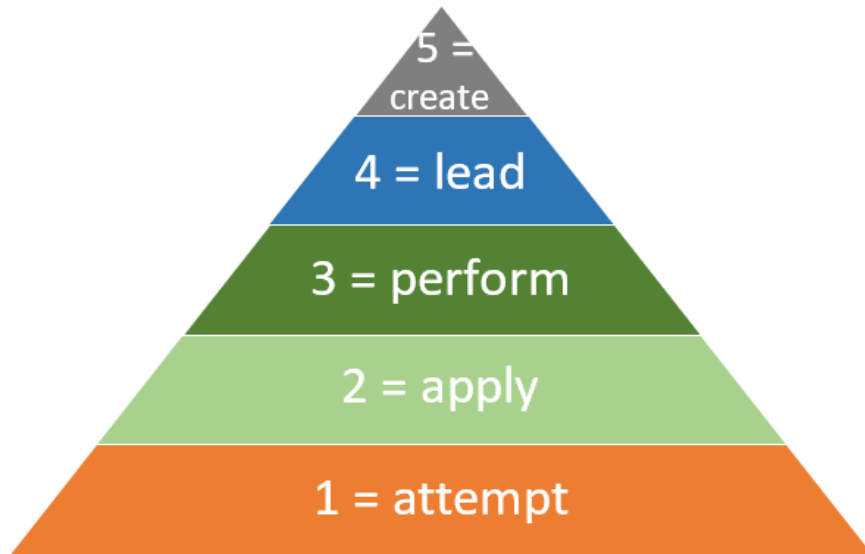


Figure 4. Scale of Proficiency for Salespersons

Whereby:

Level	Label	Definition
1	Attempt	Begin to demonstrate what you have learned, try, experiment, test
2	Apply	Follow instructions and demonstrate them in real situations; put into practice, implement, employ, use
3	Perform independently	Work skillfully and accurately with minimum effort; carry out autonomously, achieve, do
4	Lead	Use understanding, practice, and reflection to support others; mentor, pilot, support, train, show
5	Create	Develop new approaches or procedures to address unusual situations; design, innovate, imagine, invent, fine-tune

COMPETENCY PROFILE FOR REAL ESTATE SALESPERSON

1. PROFESSIONAL RELATIONSHIPS AND CONDUCT

Salespersons comply with applicable laws and regulations. They represent clients by fulfilling agency obligations, diligently managing disclosures and safeguarding client property. Salespersons protect the public through professional conduct and exercising care and skill. They manage risks to health and safety, ensure the quality of their work, and engage in life-long learning for continuous improvement.

A competent real estate Salesperson is able to:

Competencies	Performance Criteria
1.1 Fulfill <u>agency responsibilities to clients</u>	1.1.1 Explain the salesperson's and <u>client's</u> obligations in the agency <u>relationship</u> .
	1.1.2 Establish agency relationships with clients that meet applicable laws.
	1.1.3 Act in the best interests of clients.
	1.1.4 Follow fiduciary duty of loyalty to clients.
	1.1.5 Perform obligations to meet required duty of care.
	1.1.6 Provide clients with all relevant information on all aspects of the real estate transaction in a timely manner.
	1.1.7 Adhere to lawful instructions and directions from client.
	1.1.8 Keep client information confidential, disclosing only with client's <u>informed written direction</u> or as required by law.
	1.1.9 Safeguard and account for property entrusted by client.
	1.1.10 <u>Respond</u> to real and potential <u>conflicts of interest</u> as required by law.
	1.1.11 Inform client buyers of material facts that may impact a decision to purchase.
	1.1.12 <u>Refer</u> clients to <u>outside professionals</u> .
1.2 Manage clients' disclosure obligations	1.2.1 Critically reflect on situations that require <u>disclosures</u> based on legislative requirements.
	1.2.2 Advise clients on disclosures applicable to the trade.
	1.2.3 Ensure disclosures are made in timely manner.
	1.2.4 Explain agency <u>obligations</u> if client instructs to withhold disclosure.
	1.2.5 Verify that all <u>reasonable inquiries</u> and disclosures have been made.
	1.2.6 Obtain consent, as required.
	1.2.7 Document details of disclosures made.
1.3 Protect <u>public</u>	1.3.1 Act honestly and professionally.
	1.3.2 Exercise care and skill in performing assigned duties.
	1.3.3 Accept responsibility for actions.
	1.3.4 Stay informed of <u>essential information</u> that affects market conditions.
	1.3.5 Communicate to unrepresented parties that no agency obligations exist.
	1.3.6 Advertise properties in accordance with <u>legislative obligations and standards of practice</u> .
	1.3.7 Handle deposits, explaining, processing and disposition.

1.4 Comply with applicable laws and regulations	1.4.1	Comply with the <u>laws</u> that apply to a transaction.
	1.4.2	Identify <u>contexts</u> that give rise to legal issues.
	1.4.3	Seek out broker or <u>legal resources</u> to deal with specific legal or regulatory issues and for advice and information.
1.5 Mitigate risk to health and safety	1.5.1	Recognize <u>risks</u> based on <u>circumstances</u> .
	1.5.2	Act to mitigate risks.
	1.5.3	Use safety <u>protocols and tools</u> in context.
	1.5.4	Educate clients and <u>customers</u> about safety <u>precautions</u> .
	1.5.5	Manage client's and public's concerns on risk.
	1.5.6	Maintain insurance policies.
1.6 Integrate professional obligations into practice	1.6.1	Comply with regulatory requirements.
	1.6.2	Follow relevant codes of ethics, codes of conduct, or standards of practice.
	1.6.3	Work within <u>scope of practice</u> of registration category.
	1.6.4	Interact with other registrants in a professional manner.
	1.6.5	Seek help from broker or outside professionals; or decline to act when a matter is beyond own competence or scope.
	1.6.6	Avoid knowingly or recklessly participating in or enabling dishonest, fraudulent, criminal, or illegal transaction, activities, or conduct.
	1.6.7	Report unethical, unsafe, illegal, and incompetent practices to the appropriate authorities.
	1.6.8	Practise in a manner that sustains public trust in the profession and enhances consumer protection.
	1.6.9	Maintain <u>personal health and wellbeing</u> .
1.7 Demonstrate commitment to continuous improvement	1.7.1	Access information on changes in regulation and practice.
	1.7.2	Seek opportunities to improve through various forms of <u>evaluation</u> .
	1.7.3	Formulate specific, measurable, and realistic learning goals.
	1.7.4	Implement <u>strategies</u> to achieve learning goals.
	1.7.5	Integrate new knowledge and skills into practice.
	1.7.6	Support improvements to existing systems and procedures.
	1.7.7	Uphold regulatory requirement for continued education.
1.8 Manage time, priorities, and work quality	1.8.1	Recognize challenges based on data and feedback.
	1.8.2	Apply requisite brokerage standards of performance.
	1.8.3	Seek <u>opportunities to improve workflow</u> .
	1.8.4	Prepare for situations that are complex or prone to error.
	1.8.5	Outline realistic <u>goals</u> .
	1.8.6	Focus on completing tasks that align with goals.
	1.8.7	Seek <u>guidance</u> and <u>resources</u> as required.

2. COMMUNICATION AND COLLABORATION

Salespersons are effective communicators and collaborators. They act as trusted advisors to clients, maintain professional networks and use technology appropriately. Salespersons collaborate with other registrants and outside professionals for the benefit of their clients.

A competent real estate Salesperson is able to:

Competencies	Performance criteria
2.1 <u>Communicate effectively</u>	2.1.1 Meet the regulatory English or French language proficiency requirements.
	2.1.2 Use <u>format</u> , <u>medium</u> , and <u>techniques</u> suited to purpose and audience.
	2.1.3 Consider how context affects meaning and messaging.
	2.1.4 Use precise language and correct grammar.
	2.1.5 Supply information that is timely, accurate, concise, and complete.
	2.1.6 Check <u>quality</u> of written text.
	2.1.7 Adjust <u>speech</u> according to intent of message.
	2.1.8 Check for understanding.
	2.1.9 Repair <u>communication breakdowns</u> .
	2.1.10 Work with interpreters as needed.
2.2 <u>Advise clients as sellers or buyers</u>	2.2.1 Identify products or services that correspond to client <u>profiles</u> .
	2.2.2 Explain processes, protocols and practices of real estate transactions.
	2.2.3 Determine client's goals and issues that may impact the success of the transaction.
	2.2.4 Understand client's <u>budget and available financing</u> including mortgage qualifications according to <u>scope of practice</u> .
	2.2.5 Refer to mortgage advisor as needed.
	2.2.6 Explain all advantages and disadvantages.
	2.2.7 Represent clients during negotiations and all interactions with other parties.
	2.2.8 Clarify terms and conditions.
	2.2.9 Prioritize and promptly address client <u>concerns</u> .
	2.2.10 Inform client of progress, changes, and problems that affect them.
	2.2.11 Document conversations, actions, and advice.

2.3 Use communication and information technology (IT)	2.3.1	Select <u>communication technology</u> suited to task.
	2.3.2	Customize communications for specific technology.
	2.3.3	Use communication technology for <u>online research</u> .
	2.3.4	Distribute relevant <u>online content</u> in compliance with <u>standards and requirements</u> .
	2.3.5	Ensure all communications are clearly represented and truthful.
	2.3.6	Stay up to date with relevant changes to technology.
	2.3.7	Understand basic <u>IT infrastructure</u> .
	2.3.8	Use general office <u>productivity and collaboration applications</u> effectively.
	2.3.9	Leverage property databases, sites, and applications for sales activities.
	2.3.10	Comply with brokerage, regulatory and legal requirements regarding privacy, anti-spam, data security, personal use.
2.4 Establish meaningful relationships	2.4.1	Cultivate strategic <u>working relationships</u> with <u>other people</u> .
	2.4.2	Collaborate with other salespersons and broker.
	2.4.3	Engage others through <u>reasoning and interpersonal skills</u> .
	2.4.4	Show empathy toward the <u>perspectives</u> of others.
	2.4.5	<u>Manage</u> conflict effectively.
	2.4.6	Request and provide constructive feedback.
	2.4.7	Maintain a third-party network to assist client referrals to third parties.
2.5 Demonstrate respect for diversity	2.5.1	Challenge <u>assumptions</u> about self or others.
	2.5.2	Learn about the ideas and opinions of others.
	2.5.3	Exhibit <u>inclusive behaviour</u> .
	2.5.4	Use vocabulary that is respectful and inclusive of others.
	2.5.5	Recognize systems and behaviours that exclude others.
	2.5.6	Meet legal and brokerage requirements regarding diversity, equity, harassment, and <u>discrimination</u> .

3. PROSPECTING AND MARKETING

Salespersons demonstrate business savvy to promote their own services and to achieve goals on behalf of their clients. They coordinate the development and use of marketing and promotional tools in accordance with regulatory requirements.

A competent real estate Salesperson is able to:

Competencies		Performance Criteria	
3.1 Promote own business	3.1.1	Develop a marketing plan that includes objectives, action items, and indicators of success.	
	3.1.2	Engage in targeted <u>promotional activities</u> that comply with legal and ethical requirements, brand standards, and budgets.	
	3.1.3	Generate and follow up with leads or prospects.	
	3.1.4	Evaluate the effectiveness of promotional efforts.	
3.2 Coordinate the development of marketing material	3.2.1	Select <u>key</u> marketing <u>messages</u> .	
	3.2.2	Act with due care, providing accurate information considered sufficient, meaningful, and clear to the ordinary person.	
	3.2.3	Select material types and designs, including visual and graphic elements.	
	3.2.4	Develop specific marketing materials or outsource as appropriate.	
	3.2.5	Verify that marketing materials comply with <u>prescribed rules and accepted conventions</u> .	
3.3 Promote property when representing the seller	3.3.1	Gather information on property.	
	3.3.2	Document market and personal sales data in preparing listing presentations.	
	3.3.3	Promote the features of the selling client's property.	
	3.3.4	Use <u>everyone's</u> time effectively.	
	3.3.5	Make marketing materials available.	
	3.3.6	Follow the selling client's directions and applicable protocols for showings.	
	3.3.7	Address potential and actual buyer questions.	
	3.3.8	Offer knowledge-based advice on defects, flaws, and drawbacks to selling client.	
3.4 Demonstrate business sense	3.4.1	Seek opportunities to maintain and increase value for clients or prospects.	
	3.4.2	Use <u>business analysis frameworks</u> .	
	3.4.3	Pursue areas of competitive advantage.	
	3.4.4	Build a <u>network of qualified professionals</u> .	
	3.4.5	Build a real estate salesperson business that is sustainable.	
	3.4.6	Resolve issues facing the real estate salesperson's business.	

4. RESEARCH AND ANALYSIS

Salespersons use sound research methods and draw conclusions based on accurate information. They perform comparative market and financial analyses.

A competent real estate Salesperson is able to:

Competencies		Performance criteria	
4.1 Conduct research	4.1.1	Respect the <u>private and confidential</u> nature of the research.	
	4.1.2	Outline research <u>outcomes</u> .	
	4.1.3	Indicate essential areas of expertise required.	
	4.1.4	Distinguish between attributes and drawbacks of properties used for the analysis.	
	4.1.5	Obtain information required to generate a complete picture.	
	4.1.6	Use relevant <u>software</u> , integrated with other data.	
	4.1.7	Use research methods to gather, verify and analyze information.	
	4.1.8	Present findings and any remaining gaps.	
	4.1.9	Know where to find information not generally available on online listing databases.	
	(commercial) 4.1.10	Define the specific <u>commercial sector</u> that is the subject of the research.	
	(commercial) 4.1.11	Determine the <u>nature of the transaction</u> .	
4.2 Determine the quality and elements of a property	4.2.1	Describe <u>external factors</u> related to the property.	
	4.2.2	Perform a <u>visual observation</u> of the property.	
	4.2.3	Document the property's <u>features</u> .	
	4.2.4	Recognize potential issues or problem areas of the property.	
	4.2.5	Research history of the property to uncover <u>material facts</u> .	
	4.2.6	Consult with <u>outside professionals</u> on <u>issues</u> that are beyond scope of practice or expertise.	
4.3 Perform comparative market analysis	4.3.1	Research <u>relevant properties</u> .	
	4.3.2	Verify property and market information.	
	4.3.3	Select relevant <u>units</u> of comparison.	
	4.3.4	Analyze properties using relevant <u>elements of comparison</u> .	
	4.3.5	Specify criteria for highest and best-use analysis.	
	4.3.6	Reconcile value indications and adjust for differences.	
	4.3.7	Estimate market value of the property.	
	(commercial) 4.3.8	Estimate <u>market value of the enterprise</u> .	
	(commercial) 4.3.9	Consider <u>financial position</u> and available financing.	

4.4 Perform financial analysis

(commercial)	4.4.1	For investment properties: Determine highest and best use.
(residential and commercial)	4.4.2	Review costs, zoning, demand.
(commercial)	4.4.3	Calculate <u>financial ratios</u> .
(commercial)	4.4.4	Calculate the cost of using leverage.
(commercial)	4.4.5	Calculate loan-to-value and debt coverage ratio.
(commercial)	4.4.6	Calculate the value of uneven cash flows.

For leased properties:

(commercial)	4.4.7	Calculate the <u>net effective rent</u> .
(residential and commercial)	4.4.8	Understand the value of the tenant covenant and how it affects the property value.
(commercial)	4.4.9	Understand net present value of different leasing scenarios.

5. NEGOTIATING AND CLOSING

Salespersons support clients by developing documents and contracts to achieve legally binding agreements. They clarify the financial implications of transactions and assist with the offer process. They negotiate with integrity according to clients' informed directions and apply a sound process to close a real estate transaction.

A competent real estate Salesperson is able to:

Competencies		Performance Criteria	
5.1 Manage documents and contracts	5.1.1	Make <u>intended use</u> of various types of <u>real estate documents</u> and forms.	
	5.1.2	Incorporate <u>clauses</u> using language that is clear, accurate, concise, and legally correct.	
	5.1.3	Adapt client forms reflecting parties' contractual agreements.	
	5.1.4	Complete amendments, notices of fulfillment of conditions, and waivers.	
	5.1.5	Structure content effectively.	
	5.1.6	Confirm documents reflect their intended use.	
	5.1.7	Review documents for accuracy, clarity, and compliance.	
	5.1.8	Explain legal obligations under contract.	
	5.1.9	Ensure agreements are legally binding.	
	5.1.10	Obtain advice when unsure, such as from broker or legal advisor.	
5.2 Explain financial implications (commercial)	5.2.1	Calculate the financial implications of the transaction.	
	5.2.2	Apply methodologies related to <u>real estate taxation</u> .	
	5.2.3	Interpret financial statements.	
	5.3.4	Communicate the <u>details</u> of the deal to the client.	
	5.3.5	Present all offers and counter-offers according to protocols.	
5.3 Manage offers and counter-offers	5.3.1	Ensure parties understand the promise to purchase, including their rights and obligations.	
	5.3.2	Protect confidentiality of offers if confidentiality agreement has been established or is required by law.	
	5.3.3	Protect client by explaining issues related to the transaction.	
	5.3.4	Act within the rules and parameters set forth in your regulatory guidelines.	

5.4 Negotiate with integrity	5.4.1	Inform client of negotiation options and associated advantages and disadvantages.
	5.4.2	Conduct negotiations as directed by client.
	5.4.3	Facilitate best possible terms for client.
	5.4.4	Provide clients with options, advantages, and disadvantages on how to deal with multiple offers as sellers or buyers.
	5.4.5	Explore others' objectives, goals, and desired outcomes.
	5.4.6	Promote mutual understanding of different points of view.
	5.4.7	Negotiate based on factual observations and information.
	5.4.8	Encourage realistic compromises during negotiations.
	5.4.9	Maintain objectivity when confronted with interpersonal conflicts.
	5.4.10	Use suitable <u>negotiating style</u> .
5.5 Complete the transaction	5.5.1	Use appropriate techniques to complete the sale.
	5.5.2	Obtain required closing documents.
	5.5.3	Manage factors that may prevent the completion of a transaction.
	5.5.4	Assist with the removal or satisfaction of condition precedents.
	5.5.5	Maintain communication with parties until buyer has taken possession.

CLARIFICATIONS

Terms	Clarifications
accepted conventions	agreed, stipulated, or generally accepted standards, norms, social norms, or criteria (e.g., posting on social media, respecting client privacy in marketing)
agency	a relationship established when two parties agree to have one party act on behalf of (represent) the other
obligation	in the case where client insists on withholding disclosures, sever agency relationship
assumptions	impacted by for example, stereotypes, prejudice, biases, conscious or unconscious attitudes
budget and available financing	e.g., lending ratios (Gross Debt Service, Total Debt Service), home ownership incentives and programs (purchase plus, cash to close), closing costs, property taxes
business analysis frameworks	e.g., PESTLE (Political, Economic, Socio-Cultural, Technological, Legal, Environmental), SWOT (Strengths, Weaknesses, Opportunities, Threats)
circumstances	e.g., travel to remote or isolated locations, vacant properties/land, exposure to elements and unexpected circumstances and potential hazards
clauses	parts of text, including standard or specific articles in a legal document
client	a represented party, as defined by the legislation in each jurisdiction. This includes a contractual (or "agency") relationship with a brokerage, representation by an agent with a high level of responsibility, and the brokerage's fiduciary duty and promotion of best interests
commercial sector	type of property (e.g., retail, office, multi-family, land, hotel)
communicate	e.g., formal (including meetings), informal (including social event, breaks, kitchen), spoken (including face to face, phone, virtual), written (including email, chat), body language, space and how we use it, facial expressions, appearance, voice, touch, speed, tone, volume
communication breakdowns	a failure in the exchange of information, often due to the use of ambiguous and confusing messages
communication technology	e.g., online listing databases (such as MLS®), social media
concerns	e.g., inquiries, requests, complaints, service problems, contractual obligations
conflicts of interest	real or apparent incompatibility between the interest of the salesperson and the of the interest of the represented party
context(s)	e.g., client, property type
continuous improvement	to maintain and enhance one's competence through lifelong learning, reflective practice, and integrating learning in a changing environment
customer	e.g., an unrepresented party, as defined by the legislation in each jurisdiction. This may include a contractual relationship with a brokerage and includes service that is honest, conscientious, and competent, but excludes fiduciary duty and promotion of best interests
details	e.g., history, legal requirements, price, closing date, terms, personal characteristics of buyer, conditions, down payment, inclusions, exclusions, commissions paid
disclosures	e.g., the role and nature of the service provided, types of expenses associated with a real estate transaction, financial or other benefit obtained from referrals to other parties, one's role as a real estate professional in acquiring an interest in a property, material latent defects

discrimination	discrimination is an action or a decision that treats a person or a group negatively on grounds such as their race, age, or disability. All Canadian jurisdictions have human rights laws that protect individuals from discrimination and laws may include specific provisions for real estate. Protected grounds may include: race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability, conviction for which a pardon has been granted or a recorded suspended
elements of comparison	e.g., real property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, economic characteristics, use, and non-realty components of value
essential information	e.g., market-related statistics and trends, zoning changes, current and pending legislation
evaluation	e.g., obtain feedback, observe others, compare with others, identify areas of concern, reflect on successes, errors, omissions
everyone	self, buyers, registrants, other salespersons
external factors	e.g., zoning, location in a community, watershed, liens, history
features	e.g., bathrooms, garages, delivery entrance, parking spaces, building envelope, systems
financial position	includes relevant financials of the client
financial ratios	cap rates, cash on cash, return on equity, internal rate of return, net present value
format, medium	e.g., formal document, email or instant messaging, phone call, video chat, personal visit, social media post
goals	short- and long-term goals, including contingency plans
guidance	e.g., mentor, peers, supervisor, broker, Board member
inclusive behaviour	e.g., treat others as they want to be treated; create a sense of safety for yourself and others; speak up when people are excluded; listen as an ally; link to others' ideas
informed direction	direction provided by the represented party to the salesperson, which was formed knowing all relevant facts, and options. And where the represented party knows each of the options' advantages and disadvantages and how to mitigate the disadvantages
intended use	considering goals, objectives, rights, and obligations, keeping in mind both direct audiences (including clients) and other potential audiences (including other parties, government bodies)
issues	e.g., information to follow up on with others as appropriate
IT infrastructure	hardware, software, network resources, and services to support information technology processes. These must comply with regulatory requirements
key messages	e.g., relevant details, principal selling features
laws	legislation, subordinate legislation, common law; (an example of complying with specific laws would be: Fulfill Proceeds of Crime - Money Laundering - and Terrorist Financing Act requirements and client identification)
legal resources	professionals, other sources of legal information
legislative obligations and standards of practice	acts, regulations, practice standards, codes of ethics
leverage	e.g., financing options, types of mortgages, levered versus unlevered cash flow, capitalization rate and IIR

manage	includes resolve, accommodate, communicate about, report if appropriate; keep private and do not discuss publicly
market value of the enterprise	e.g., income, costs, goodwill
marketing material	e.g., signage, displays, brochures, mailouts, newsletters, business cards, branded envelopes, calendars, property information sheets, sales scripts, demonstration scripts, web content, explainer videos, blog posts, other social media posts
material facts	e.g., grow-op, homicide, contamination, rewired electrical work
nature of the transaction	purchase/sale, investment, or lease (landlord/tenant)
negotiating style	e.g., competing, co-operative, avoiding, compromise, accommodating, facilitating
net effective rent	e.g., tenant allowance, free rent, landlord work, landlord discount rate
network of qualified professionals	collaborate with others to enhance competitiveness, divide risks, set new standards, enter new markets, pursue economies of scale
online content	e.g., text, links, images, video, and tags
online research	e.g., search and browse for contacts, information, and resources; find and review online material
opportunities to improve workflow	e.g., attitudinal shifts, delegation of tasks, reducing interruptions, understanding communication preferences and efficiency, use of organizational software, selecting and/or developing time-planning, reminder, and recording systems
other people	anyone with whom the salesperson interacts, including clients, customers, the public, colleagues, superiors, third parties (including stagers, plumbers, roofers, appraisers, photographers)
outcomes	general background knowledge, trends and situation, and others specific to a particular property or transaction; geopolitical, understanding macro- and micro-factors
outside professionals	e.g., advice from lawyers, appraisers, home inspectors, surveyors, accountants, insurance agents or brokers, mortgage consultants, land use planners, environmental consultants, where such advice is beyond one's expertise or scope of practice
personal health and wellbeing	e.g., Salesperson's physical, mental, emotional, social, and spiritual health
perspectives	e.g., based on opinions, cultures, language, preference, ability, age, gender, roles, experiences, beliefs, friends, affinity groups
precautions	e.g., keeping belongings safe, making home burglar-proof, removing hazards, dealing with unexpected visitors
prescribed rules	acts and regulations, legal and ethical requirements, brand and industry standards
private and confidential	according to service agreements, federal legislation, provincial legislation, agency law
productivity and collaboration applications	e.g., those used for word-processing; spreadsheets; portable document format; electronic signatures; presentations; email, calendaring, and task management; file hosting, sharing, and management; surveys; notetaking; collaboration; project management; database management; videoconferencing
profiles	underlying needs, concerns, constraints, or conditions (e.g., first-time buyer vs. sophisticated purchaser, health status, special requirements, timing, family circumstances)
promotional activities	e.g., advertising, personal selling, sales promotion, public relations, sponsorship

protocols and tools	e.g., precautions for open houses, placement and maintenance of signage, cleaning and pre-screening protocols, use of customer identification forms, care with personal information, cybersecurity (including device and information security, prevention of malware installation), safety apps and products like emergency buttons, GPS trackers, distress codes
public	e.g., general public, customers
quality	clean, legible, free of errors, uses correct punctuation and spelling
real estate documents	e.g., real estate purchase contracts, disclosures, letters, offer/agreement to lease
real estate taxation	e.g., depreciation, income, capital gain
reasonable inquiries	e.g., it is expected that a Salesperson uncovers all that needs to be disclosed
reasoning and interpersonal skills	e.g., show genuine interest, use supportive and encouraging language, think logically, ask insightful questions, acknowledge opposing points of view, use concrete examples to make a point, present data, alternatives, and solutions
refer	includes providing information and explaining the basis on which the referral is made
relationship	the need for transparency of relationships between self, buyer, seller. It is critical in the case of dual representation
relevant properties	e.g., those similar to the subject property and that have recently sold, are listed for sale, or are under contract
resources	e.g., lawyer, financial analyst, notary, environmental company, home inspector – but not related to specific providers such as plumber, roofer
respond	avoiding, recognizing, disclosing, mitigating impact, and resolving
risks	to the safety of others (e.g., client, customer, neighbours, community, third parties) and oneself
scope of practice	permissible procedures, actions, and processes as set by the regulatory body, in conjunction with an individual's specific education, experience, and demonstrated competence; determined for each registration category
software	e.g., online listing databases, other software depending on location and nature of practice
speech	tone, inflection, enunciation, volume, and speed
standards and requirements	e.g., legal and ethical requirements, brand standards, privacy expectations
strategies	e.g., informal learning opportunities, mentorship, workshops, conferences, webinars, advanced education
techniques	e.g., questioning, rephrasing, visual support, gestures to enhance understanding as appropriate
units	e.g., price per square foot
visual observation	e.g., land, building envelope, foundation, structure, and systems (electrical, plumbing, heating and cooling, elevators)
working relationships	e.g., roles, responsibilities, levels of effort



Pan-Canadian Competency Profile for Real Estate Brokers

**who manage a residential and/or commercial
real estate brokerage**

July 2021

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INTRODUCTION

Members of Real Estate Regulators of Canada (RERC) have come together to develop Real Estate Competencies for Salespersons and Brokers.

Jurisdictions in Canada use different terminology for these two roles, but in these profiles:

- We use the term “Salesperson” to describe the role of any person who is licensed to conduct real estate transactions on behalf of clients. Other terms include: Representative, Associate, Agent, Realtor, Courtier.
- We use the term “Broker” to describe the role of any person who is licensed as responsible for managing a real estate brokerage, as well as for overseeing the activities of the Salesperson. Other terms used include: Managing Broker, Authorized Official, Broker of Record, Executive Officer, Manager, Branch Manager, Dirigeant d’agence.

Both competency profiles will allow regulators, educators, individual practitioners, employers, and other stakeholders to work together: sharing terminology and definitions, expectations and goals, learning objectives, qualifications, development opportunities or training. The profiles provide succinct descriptions for real estate clients, customers, and the general public.

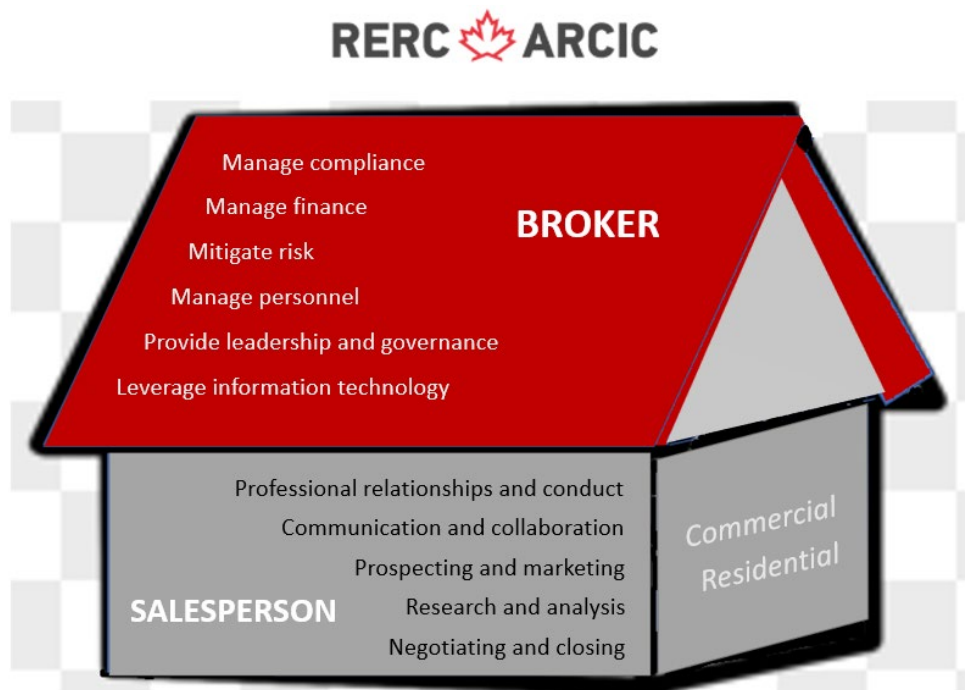


Figure 1. Mock-up of relationship between Broker and Salesperson

Figure 1 illustrates the framework which has been developed for the pan-Canadian profiles. It displays the typical relationship between the Broker and the Salesperson, along with the various work settings and competencies that apply to them.

***This profile describes the competencies for Brokers,
who manage a residential and/or commercial
real estate brokerage.***

The Broker competencies have been divided into six main areas, as illustrated in Figure 2. **In typical practice, a Broker will also demonstrate proficiency in the requirements contained within the Salesperson profile.** Brokers attend to these competencies within their day-to-day work, either directly or through oversight of Salespersons.



Figure 2. Broker competency areas

The **development** of the Pan-Canadian Real Estate Broker Competencies is the result of contributions from many sources and levels of consultation to ensure that the profile accurately captures the necessary competencies of Brokers in Canada. The competencies reflect current trends in the profession and society, are informed by professional expertise, and meet the needs of a broad group of stakeholders.

In particular, the **sources and levels of consultation** include the following:

1. A pan-Canadian working group composed of 13 salespersons and brokers.
2. A Steering Committee made up of representatives from the regulatory bodies.
3. Provincial stakeholder consultations.
4. A pan-Canadian survey, which solicited input from salespersons and brokers across the country.
5. A project consulting team from CamProf Inc that has expertise in competency profile development.

For more information, contact [Real Estate Regulators of Canada](#).

HOW TO READ THE BROKER COMPETENCIES

The competency profile contains the following elements:

- Each **competency area** (1.1 to 6.8) is defined using a short statement describing what a real estate Broker must be able to perform to be considered competent when entering the Broker role. The verb used provides guidance as to the required level of performance.
- The **performance criteria** (shown below the competency statement) describe in detail the behaviours required for full proficiency at entry to the Broker role (for assessment, all performance criteria must be met).
- The **clarification** section in the back of the profile provides explanations, definitions, or additional information on the range of context for the performance criteria. Words or phrases that are clarified are underlined. Where terms appear more than once in the profile, the clarification specifies the performance indicator's number.
- A **scale of proficiency** clarifies to learners, educators, regulators, and assessors exactly what is expected of the Broker. Proficiency may evolve over time and when applied to different circumstances and contexts. For each competency, this document indicates the minimum level of proficiency that someone must achieve to become licensed, according to the scale in Figure 3. The level of proficiency is listed under each competency area.
- Associated **knowledge** for this competency profile will be dealt with as needed in each jurisdiction as part of the implementation process.

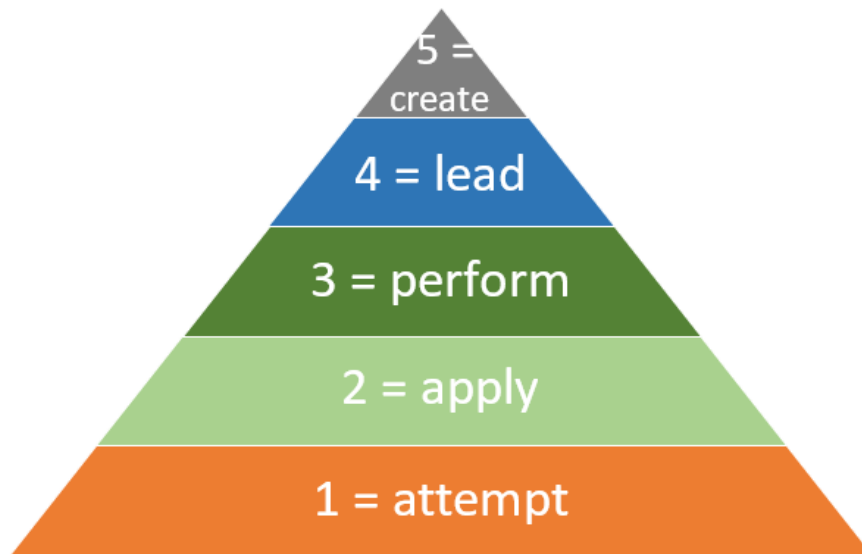


Figure 3. Scale of Proficiency for Brokers

Whereby:

Level	Label	Definition
1	Attempt	Begin to demonstrate what you have learned; try, experiment, test
2	Apply	Follow instructions and demonstrate them in real situations; put into practice, implement, employ, use
3	Perform independently	Work skillfully and accurately with minimum effort; carry out autonomously, achieve, do
4	Lead	Use understanding, practice, and reflection to support others; mentor, pilot, support, train, show
5	Create	Develop new approaches or procedures to address unusual situations; design, innovate, imagine, invent, fine-tune

COMPETENCY PROFILE FOR REAL ESTATE BROKER

The **Broker** is expected to take responsibility for the actions taken within and on behalf of the brokerage. This includes managing the various aspects of the business and ensuring compliance with all regulatory and legislative standards.

A competent Broker is able to:

1. MANAGE COMPLIANCE

The Broker plans, organizes, controls, and leads activities that ensure compliance with laws and accepted standards. These activities can include audits, security procedures and controls, developing and implementing policies and procedures.

PERFORMANCE CRITERIA	
1.1	<u>Conduct</u> business in accordance with legislative obligations and standards of practice.
1.2	Instruct personnel regarding public protection requirements.
1.3	Protect client information through safeguards, policies, and procedures.
1.4	Oversee advertising and promotion in accordance with <u>regulatory requirements</u> .
1.5	Ensure salespersons have fulfilled brokerage, disclosure, and regulatory obligations for transactions.
1.6	Verify that transactions are legally binding.
1.7	Fulfill anti-money laundering, FINTRAC, and client identification requirements.
1.8	Report circumstance or potential claim under regulatory insurance program.
1.9	Conduct inspections, investigations, and other standards enforcement procedures.
1.10	Maintain document and records management systems.
1.11	Fulfill brokerage <u>obligations</u> for records management and retention.

2. MANAGE FINANCE

The Broker remains aware of the brokerage's cash flow and financial stability. The broker keeps the business running smoothly through budgeting, accounting, forecasting, and adjusting plans.

PERFORMANCE CRITERIA	
2.1	Oversee setup and operation of accounting systems and structure.
2.2	<u>Analyze</u> financial statements.
2.3	Review the brokerage's financial performance.
2.4	<u>Monitor</u> trade processing and trust accounts.
2.5	<u>Manage</u> funds held in trust in accordance with trust terms and legislative requirements.
2.6	Provide financial or trust account reporting in accordance with legislative requirements.
2.7	Implement internal accounting controls.
2.8	Manage budget, compensation, and incentive plans.
2.9	Resolve compensation <u>disputes</u> fairly.

3. MITIGATE RISK

The Broker identifies, evaluates, and prioritizes risks, then coordinates resources to minimize, monitor, and control the probability or impact of unfortunate events. Risk mitigation strategies may also lead to opportunities.

PERFORMANCE CRITERIA	
3.1	<u>Maintain</u> a risk management <u>policy</u> .
3.2	Maintain insurance coverage.
3.3	Implement guidelines for fraud prevention.
3.4	Create systems for <u>review</u> of all transactions.
3.5	Implement general personal safety policies.
3.6	Manage high-risk activities and common problem areas.
3.7	Prevent misrepresentation, negligence, and tort liability.
3.8	Manage risk prevention training.

4. MANAGE PERSONNEL

The Broker plans, organizes, compensates, and supports individuals for the purpose of contributing to the brokerages' goals.

PERFORMANCE CRITERIA	
4.1	Define roles, responsibilities, and employment status within the brokerage.
4.2	<u>Recruit personnel</u> , as needed.
4.3	Comply with <u>regulatory requirements</u> related to human resources.
4.4	Comply with applicable <u>workplace legislation</u> .
4.5	Establish <u>communication systems</u> .
4.6	Provide orientation, <u>training</u> , and <u>mentorship</u> .
4.7	Assist personnel with goal setting and development.
4.8	Take remedial and/or disciplinary action when required.
4.9	Maintain equitable personnel policies and procedures.
4.10	Implement retention plans and tools.
4.11	Engage in <u>succession planning</u> .
4.12	Promote engagement and satisfaction.

5. PROVIDE LEADERSHIP AND GOVERNANCE

The Broker provides guidance and direction for the brokerage, and designs or adopts structures and processes that ensure accountability.

PERFORMANCE CRITERIA	
5.1	Evaluate own potential for entrepreneurialism.
5.2	Construct a <u>business plan</u> .
5.3	Secure financing for the brokerage.
5.4	Register the brokerage according to <u>ownership type</u> and regulatory requirements.
5.5	Develop operational plans, policies, and procedures.
5.6	Keep policies and procedures accessible and up to date.
5.7	Establish sustainability plans.
5.8	Monitor the business environment to address potential challenges and opportunities for growth.
5.9	<u>Lead</u> the brokerage through vision, communication, and engagement.
5.10	<u>Market</u> the brokerage and its services.

6. LEVERAGE INFORMATION TECHNOLOGY (IT)

The Broker maximizes the value of information technology within the brokerage. This includes assessing a situation from an IT perspective and the impact of technology when creating solutions, including how it can increase the brokerage's success.

PERFORMANCE CRITERIA	
6.1	Maintain a brokerage IT infrastructure that is secure, properly licensed, and up to date.
6.2	Maintain brokerage IT policy.
6.3	Provide training in use of information and communication technology to personnel.
6.4	Monitor use of social media pertaining to the brokerage.
6.5	Maintain an accurate website.
6.6	Use data analytics to inform <u>evaluations, strategies, and decisions</u> .
6.7	Collaborate with IT specialist, as needed.
6.8	Stay <u>up to date</u> with relevant changes to technology.

CLARIFICATIONS

Terms	Clarifications
analyze	calculate the Capital Cost Allowance (CCA) for brokerage assets, forecast and track financial performance, review taxation
business plan	e.g., feasibility study, financial projections, goals
communication systems	e.g., internal/external information flow, messaging and appointment procedures
conduct	includes implementing a robust oversight system that works as intended and is continually updated
disputes	e.g., associated with referral fees, ownership of clients, client solicitation among salespersons
evaluations, strategies, and decisions	e.g., understand causes of events, competitive advantage, make decisions on customer trends, advertising needs, new initiatives
lead	includes promoting a positive and ethical culture
maintain	includes regularly reviewing the policy, including as a result of specific events
manage	receive, hold, disburse
market	e.g., establish marketing, public relations, advertising, and promotional plans; evaluate efforts
mentorship	to ensure both professional and personal development, accountability, and compliance. This is particularly important for new licensees.
monitor	in accordance with provincial legislation, FINTRAC, insurance program
obligations	includes instructing salespersons and staff
ownership type	e.g., sole proprietorship, partnership, corporation
personnel	e.g., manager, alternate broker, salespersons, administrative, conveyance, accounting, marketing staff
policy	to support the achievement of corporate objectives, protect licensees, staff, and assets, promote licensee compliance, and ensure financial sustainability
recruit	attract, select, sign agreements; recruit based on knowledge, skills, and attitudes
regulatory requirements (1.4)	e.g., through advertising guidelines, registrant identification, claims/promises, use of social media, compliance with Competition Act, DNCL rules rules/telemarketing, PIPEDA, CASL
regulatory requirements (4.3)	e.g., registration and renewal, terminations and transfers, team requirements
review	for quality and illegal activity
succession planning	a strategy for identifying and developing future leaders, thereby ensuring the seamless movement of talent within the brokerage
training	e.g., train administrative personnel to monitor trade processing and trust accounts, remuneration, advertising/legislative compliance; insist on ethical business dealings and transparency
up to date	includes anticipating possible future uses of technology
workplace legislation	e.g., employment standards, human rights code, accessibility acts, occupational health, and safety act