



Out-of-province Agents Need a Licence to Trade in Alberta

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RECA has heard about increased interest from out-of-province buyers, particularly from Ontario, in purchasing property in Alberta. Alberta has not seen the price increases like those in the GTA or Vancouver areas over the last decade, and Alberta's market is being seen as an opportunity for some.

Because of this activity, RECA's Information Services team has received an increase in inquiries regarding best-practice as it pertains to licensees from other provinces providing real estate services in Alberta.

Need for a licence

In today's global economy, where a person can easily market a property halfway around the world, it is not always clear whether a specific activity falls under RECA's jurisdiction and requires a licence. But typically, if a property is located in Alberta, you require a licence in Alberta in order to represent the parties involved in transacting that property.

This applies to new builds and to resale property. Some people think that trades involving builders do not require a licence. This is not true. In general, RECA does not regulate the business of home builders or developers, however, individuals and companies that represent builders in a trade, do require a licence. There have been examples of Ontario licensees marketing Alberta new-build opportunities within Ontario (presumably to obtain referral fees from the Alberta builder).

RECA has also seen examples of Ontario licensees listing Alberta properties for sale through their websites or other online advertisements.

In both instances, the act of advertising a new build opportunity or listing an Alberta property for sale is considered a trade in real estate and would trigger licensing requirements in Alberta. This unlicensed activity could open the individual in question to the possibility of sanctions from both RECA or their local regulator.

A reminder that individuals and companies trading in real estate in Alberta need to be licensed through RECA. Having a licence in another jurisdiction does not permit them to perform licensed activities outside of that jurisdiction. It is considered unlicensed practice. Licensing and regulation exists to protect consumers. Performing activities without the protection licensing and regulation creates puts your clients at risk.

Determining Jurisdiction

RECA considers all the facts and impacts on Alberta consumers to determine whether a real estate trade has a sufficient connection to Alberta and therefore falls under RECA's jurisdiction. If you are unsure if specific activity has sufficient connection to Alberta and requires an Alberta licence, you are encouraged to reach out to info@reca.ca. or visit reca.ca for more information.

**If you are an Agent outside of Alberta and would like information on registering for an Alberta real estate license, please contact Western Canada's largest real estate license parking brokerage:
<https://parkandprotect.ca>**



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