

## Real Estate Sector Anti-Money Laundering Statement

As a group of real estate organizations representing industry professionals, we are committed to a transparent real estate market and to ensuring that the public can continue to have full confidence in the real estate industry. Illegal funds have no place in BC's real estate market. We are supportive of the government's investigations into money laundering and real estate, having actively participated in Peter German's review and the Expert Panel on Money Laundering.

As an industry, we have come together to commit to shared best practices and make recommendations to government. By aligning as an industry and working in collaboration with government, we can help facilitate an environment in which consumers are well-served and industry professionals can thrive.

### Anti-money laundering recommendations

Our collaboration has resulted in a commitment from the undersigned organizations to pursue the following shared best practices and recommendations for government:

1. **Accept only verified funds** – For sectors of real estate that are not already required to do so, we recommend that they accept funds only in forms that are verifiable through Canadian financial institutions.
2. **Mandatory anti-money laundering education** – We recommend the introduction of mandatory anti-money laundering education for all real estate professionals subject to the reporting requirements administered by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to ensure that those professionals are trained in recognizing and reporting suspicious transactions. FINTRAC should work with sector organizations, regulators and the provincial government to improve existing resources so that they better reflect real-world situations and improve compliance.
3. **Smart regulation** – We recommend that the federal government amend the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to allow FINTRAC intelligence to be made available to additional regulatory authorities, including the BC Securities Commission and the Financial Institutions Commission (FICOM). Optimally, the federal and provincial governments, as well as their respective agencies, should coordinate their actions, share information, such as the provincial assignment registry, and create a comprehensive, efficient enforcement regime.
4. **Ongoing engagement** – We recommend governments and regulatory agencies, including FINTRAC, better utilize on-the-ground experience of real estate professionals to develop compliance resources and test policy ideas. This will result in well-crafted, practical regulation and foster a culture of compliance to protect consumers and the economy.
5. **Timely and transparent reporting** – We recommend that FINTRAC implement a framework to identify and report trends on a regular basis and in language that is consistent and understandable to professionals, the public and media. This reporting system should also include consistency in examinations with immediate feedback designed to help industry professionals improve their compliance systems.



Darlene K. Hyde  
British Columbia Real Estate Association

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Christina Dhesi  
Appraisal Institute of Canada –  
British Columbia

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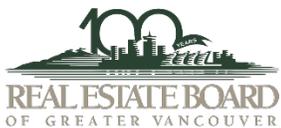
Jacqui Mendes  
BC Notaries Association

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Samantha Gale  
Canadian Mortgage Brokers Association –  
British Columbia

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Brad Scott  
Real Estate Board of Greater Vancouver

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