



## RMS FREQUENTLY ASKED QUESTIONS

### **What was wrong with the guidelines my real estate board used to have?**

Nothing. However, all of the guidelines were not the same across Alberta. In addition, these guidelines did not apply to real estate professionals who are not members of a real estate board.

The provincial government requested RECA to make standards in order to protect the public interest and the integrity of the real estate profession. It is in everyone's best interest, particularly consumers, to have a single measurement standard across Alberta.

### **Why does the RMS require interior measurements for attached properties?**

A standard must be objective, measurable, and verifiable. Real estate professionals are often unable to take direct measurements where a common wall is involved. However, the interior measurements of an attached property can be objectively verified. The RMS allows reporting of the additional (exterior) measurement for an attached property if the wall thickness based on visual inspection can be reasonably assumed, as long as it is disclosed as an assumed measurement and the RMS area is provided. This allows the real estate professional and their clients to compare attached and detached properties.

### **What do I tell my clients if their property gains or loses size using the RMS?**

Properties stay the same size they have always been. They did not physically shrink or increase in size upon the publication of the RMS. The RMS quantifies the size of the property based on a new measurement standard. The real estate professional must report the RMS area as the property size.

Consider this analogy: Fahrenheit or Celsius are different standards used to measure outside temperature. Reporting the temperature in Celsius instead of Fahrenheit does not make it any warmer or colder outside.

If a client is concerned about the difference in property size, real estate professionals need to explain that:

- Their property has not decreased or increased in size
- The property size difference is the result of comparing measurements using different standards
- The purpose of the RMS
- The fact that the value of their property has not changed
- The RMS is based on property type (i.e. attached, detached)
- The RMS applies to competing properties

### **What if the RMS confuses my clients?**

The RMS is straightforward, logical, and principles-based. The real estate professional has an obligation to explain the RMS to clients. If this obligation is fulfilled, the client should not be confused.

It is also the real estate professional's duty to explain to clients how property size correlates with price. Generally, there is no direct and proportional correlation between property size and price, except in newly built properties. Builders sometimes price properties based on their building costs per square foot. With resale properties, other factors often have a greater influence on the property's asking and selling price. For example, location, floor plan, features, updating, along with the general ability of the property to meet the buyer's needs all come into play.

However, if the property size is important to buying clients, provide them with the options for verifying the size of the property. Besides measuring the property in accordance with the RMS, the best way to reduce civil liability is to ensure clients understand the relationship between property size and price.

RECA produces a number of RMS resources specifically for consumers. They can be found on the RECA website, [www.reca.ca](http://www.reca.ca).

### **Could I be sued because the previous property size differs from the RMS area?**

The RMS by itself does not create civil liability. In liability cases, courts look to see if the party complied with a standard. This is particularly important when a regulator expects compliance to a regulatory standard. If the RMS is followed, then compliance occurs with the regulatory standard.

### **Why does the RMS not align with the Real Property Report (RPR) for my listing?**

The RMS and the RPR are not the same. The main purpose of the RPR is to illustrate the boundaries of a property and the location of physical improvements to the property relative to those boundaries. RPRs do not properly quantify the size of a residence, as they do not consider year-round usability of additions, minimum ceiling height, vaulted ceilings, and below grade levels.

### **What is the purpose of the RMS?**

The RMS gives consumers, real estate professionals, and other industry professionals accurate and consistent property measurements. These measurements can be used to compare properties and determine their suitability. Proper application of the RMS ensures real estate professionals provide reliable and verifiable property size and dimensions.

### **How do I measure properties according to the RMS?**

It depends on the type of property being measured:

- Measure detached properties using the exterior wall at the foundation. Detached properties include fully detached bare land condominiums
- Measure attached properties using the interior perimeter walls at floor level. Attached properties include half-duplexes, townhouses, and apartments

### **Do I measure all the rooms in an attached property and add them together to get the RMS area?**

No. To arrive at the RMS area, find the longest runs in the interior of the property. The longest runs are the longest unobstructed distance between opposing exterior walls. Where there are no longest runs, determine the measurable shapes and add those together. A room should be broken down into the fewest measurable shapes to reduce the potential for mistakes and simplify the RMS area calculation. All measurements must be taken at floor level and the measurement tool used must be perpendicular to the wall.

**Do I have to communicate the RMS area for every property I list?**

It depends on the seller's instruction. Sellers are not required to represent their property size. However, if the seller wants to communicate their property size or the listing service/property database requires a property size to be inputted, the RMS must be used. The seller should also be made aware that property size is often important to buyers and other real estate professionals.

**Do I have to measure the property myself?**

The property can be measured by the client's real estate professional or by another qualified person using the RMS. To determine if someone is competent to measure properties using the RMS, ask them:

- How were they/their staff trained in the RMS?
- How many properties have they/their staff have measured using the RMS?
- What equipment, processes, and software are they/their staff using to calculate the RMS area?
- Do they have references from other real estate professionals who have used their service?

Also, ensure the person/service has Errors and Omissions insurance for their measurement services.

**Can I use the property size from the municipality if I disclose where I got the information?**

No. The RMS must be used.

**Can I use the property size from a previous listing?**

No. Real estate professionals have an obligation to their clients to perform their due diligence. Measuring the property according to the RMS or having it measured by a qualified individual is part of that due diligence. There is no guarantee as to the accuracy of the previous listing's measurements and the property may have been renovated or added to since it was last listed which could have changed its area measurements.

There are some circumstances when re-measuring is not required. Re-measuring is not required when renewing a recently expired listing or the property is a rental unit subject to a property management agreement where the agreement envisions the property being listed for rent multiple times during the agreement as vacancies arise.

**Why don't homebuilders have to use the RMS?**

RECA has jurisdiction through the *Real Estate Act* over real estate, mortgage brokerage, real estate appraisal, and property management professionals. It does not have any jurisdiction over home builders.

**What do I do if the seller tells me the property was represented as larger when they bought it?**

The seller may have purchased the property under a different measurement standard or guideline which includes areas that are excluded from the RMS. Explain to the seller that their property has not decreased in size and that all real estate professionals are required to measure residential properties using the RMS.

Also explain to the seller that residential buyers decide to purchase resale properties based on a variety of factors. Property size is only one of many factors that influence the purchase decision and the sale

price. Other factors influencing their decision include the property's location, floor plan, features, updating, and the ability of the property to meet their needs.

If the property is attached and there is a concern the buyers will compare it to detached properties, advise the seller that the assumed exterior size can also be communicated. This ensures consistency and that there will be no competitive disadvantage.

### **How do I compare attached and detached properties?**

To compare different types of residential properties, real estate professionals can provide an additional measurement for attached properties using the property's exterior. Real estate professionals must base this additional measurement on reasonable assumptions about the exterior wall thickness, and can extrapolate the exterior wall thickness from the thickness of the exterior door casings and/ or exterior window casings. If real estate professionals provide additional measurements based on exterior assumptions, they must make it clear it is not the RMS area for the property and explain their assumptions.

### **Can I use the condominium unit's registered size as the RMS area?**

No. Use the RMS. The condominium unit's registered size is not the same as the RMS. The unit's registered size can include garages, parking spaces, storage areas, and balconies. The RMS area deducts these areas so consumers can make comparisons of actual living space. Some real estate boards may require real estate professionals to input the condominium unit's registered size in their listing service. The unit's registered size can be included as an additional measurement, as long as there is disclosure of what it includes.

### **How does the RMS relate to the condominium unit's registered size?**

It does not. The RMS area represents the livable area of the unit. The condominium unit's registered size is the basis for determining the unit factors for the unit. The unit factors are used to determine the owner's responsibility for their proportionate share of the condominium's common area expenses. The registered size may include the unit and wall thicknesses, plus other areas, such as balconies, storage areas, parking spaces, and below grade levels. Therefore, the condominium unit's registered size is often, but not always, a larger number than the RMS. If the RMS area is larger than the condominium unit's registered size, recheck the calculations.

### **Can I include the size of a finished attic in the RMS area?**

It depends. First, the space must be suitable for year-round use. This means the attic must be connected to the main electrical service and have a permanent heating system capable of heating the space to 22°C year-round. Second, the attic must meet the minimum-floor-to-ceiling height requirements in the RMS. The ceiling must have a minimum height of 2.13 metres (7 feet) somewhere in the room to be included in the RMS area. Where the ceiling is sloped, any areas where ceiling is 1.52 metres (5 feet) or greater must be included in the RMS area.

### **How do I measure a duplex that has a single title and both sides will be listed as a one property?**

If the duplex is to be marketed as one property, then it must be treated as a detached property and measured from the exterior wall at the foundation.

**How do I apply the RMS when the property has commercial and residential components?**

The residential portion of the property must be measured using RMS. The commercial portion must be measured using an accepted commercial measurement standard. For clarity, the measurement standards used to measure the various portions of the property should be explained when communicating information about the property's measurements.

**How do I measure a detached property if the foundation is not visible or accessible?**

The exterior measurements will need to be extrapolated from interior measurements if the exterior wall at the foundation cannot be measured. This is done by taking interior perimeter measurements and adding the unfinished exterior wall thickness.

**How do I measure a bay or bow window with a built-in storage bench?**

The RMS area only includes a bay or bow window if it has a minimum floor-to-ceiling height of 1.52 metres (5 feet) and has a walkable floor with the rest of the room. A bay/bow window with a built-in storage bench would not be a walkable floor with the rest of the room and thus would not be included in the RMS area. However, if the bench only partially covers the floor of the bay/bow window, the floor space not covered by the bench must be included in the RMS area if it meets the floor-to-ceiling height requirement and is a walkable floor of the room.

**Can a garage loft be included in the RMS area if it's attached to the main residence?**

It depends. First, the space must be suitable for year-round use. This means the loft must be connected to the main electrical service and have a permanent heating system capable of heating the space to 22°C year-round. Second, the attic must meet the minimum-floor-to-ceiling height requirements in the RMS. The ceiling must have a minimum height of 2.13 metres (7 feet) somewhere in the room to be included in the RMS area. Where the ceiling is sloped, any areas where ceiling is 1.52 metres (5 feet) or greater must be included in the RMS area.

**How do I to measure a recreational cabin?**

In order for the RMS to apply, the cabin must be suitable for year-round use. This means the cabin must have electrical service and a permanent heating system capable of heating the space to 22°C year-round. Cabins often use wood burning stoves or fireplaces as their main heating systems and this equipment may be able to heat the space to 22°C year-round. Check with the client to determine if the cabin is capable of use year-round.

If the property is suitable for year-round use, exterior measurements at the foundation must be used to calculate the RMS area. If the cabin has no visible foundation, exterior measurements may still be used as the cabin's wall thickness is not related to the foundation. If the cabin is not suitable for year-round use, the property should be described as land with a cabin. The size of cabin can be communicated so long as it is clear that the cabin is not suitable for year-round living.

**Can I include a finished room that is suitable for year-round use and attached to the main residence but only accessible through the attached garage?**

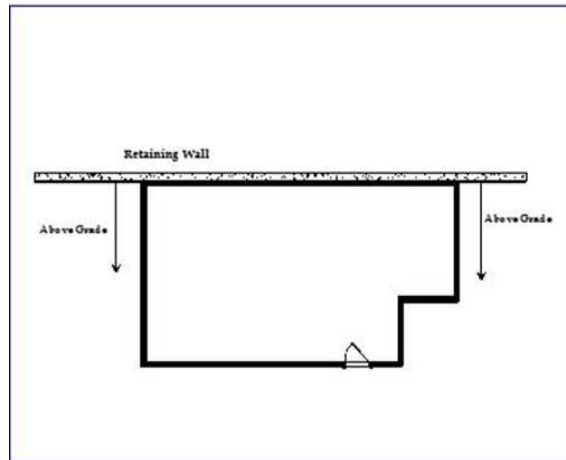
The room should be included in the RMS area provided it can be accessed through the main residence or garage. If the room is only accessible through an exterior door, it must not be included in the RMS area.

**What should I do if the seller wants to use the builder's size for the property?**

The RMS must be used where the seller wants to communicate their property size or if the listing service/property database requires a property size to be inputted. Additional information or areas excluded from the RMS area can also be communicated so long as those communications include the measurement methodology used, what areas are included in the measurements (e.g. vaulted ceilings, balconies, below grade levels), and an explanation of how the measurements were calculated.

**I'm listing a property where 3 sides of the main level are below grade but the fourth side is below a retaining wall. Can I include this level in the RMS area?**

No. Grade for this property would be the top of the retaining wall. If the grade is above the floor of the main level, that level cannot be included in the RMS area. (see picture and diagram below)



**It's difficult to keep my tape measure tight when measuring at foundation and to keep it perpendicular to the walls when taking interior measurements. What is the margin of error?**

The RMS allows a tolerance level of 2% of the RMS area for the property. However, every effort must be made to measure the property as accurately as possible.

**What if my seller client doesn't want to represent the property's size?**

The seller is not required to represent the size of the property. However, the RMS area will still need to be determined in order to provide the seller with an accurate comparative market analysis (CMA).

The seller should also be made aware that many listing services/property databases require the property's size to be inputted so their decision to not communicate their property size may preclude them from



**The property I just listed has a sunken living room. The living room is 2 steps below the level of the main hallway. Should I include the sunken living room in the RMS area for the property?**

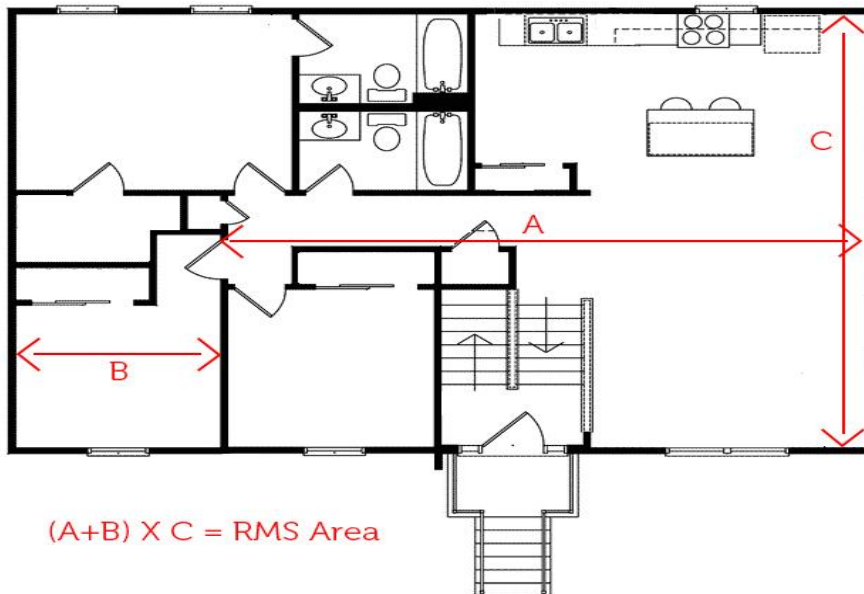
Yes. Include the area of the sunken living room in the RMS area for the property as long as it is completely above grade.

**I just listed a property with a raised bay window that is used as a sitting area of the master bedroom. Should I include the area of the bay window in the RMS area of the property?**

Yes. Include the area of the bay window in the RMS area as long as it has a walkable floor and it meets the minimum floor-to-ceiling height requirements.

**Do I have to measure every room and closet in an attached property?**

No. You can use long runs.



**Can I use the size listed in a municipal tax roll as the RMS if I disclose where I got the information?**

No.

**Can I use the size in a listing database from a previous listing of the property?**

No.

**What happens if the RMS size is larger than the condominium unit registered size?**

If the RMS is larger than the condominium unit registered size, you should recheck your calculations. In the majority of cases, the condominium unit registered size will be larger than the RMS size because most condominium unit registered sizes include wall thickness and other areas such as garages, parking spaces, separate storage areas, below grade areas, and balconies.



**My seller client is upset because when they bought the property, the seller represented it as larger. What do I do?**

The seller may have purchased the property under a different size standard that provides a larger size value by including areas that are not included as part of the RMS.

It is important for you to discuss this with the seller. When buyers purchase resale residential properties, there is often a correlation between the property size and the sale price, but the correlation is not proportional. The property's size is only one of many factors that influence the sale price. Other factors include the property's location, layout, style, modernization, finishing, amenities, etc.

Explain to the seller that their property has not shrunk, and that all real estate professionals who are listing properties will measure according to the RMS so there is consistency, and there will not be a competitive disadvantage. If the seller's property is attached and you believe buyers will compare it to detached properties, you can advise the seller that you will also communicate the assumed exterior size.

**Why don't non-industry members such as home builders have to use the RMS?**

RECA only has jurisdiction through the *Real Estate Act* over real estate, mortgage brokerage, real estate appraisal, and property management professionals.

**I am listing a two storey condominium apartment in a large building where all apartments are the same. The apartments are two storey apartments. The apartment I am listing is on the ground level and one of the storeys in the apartment is 2 feet below grade. If I don't include the below grade portion of the apartment, the apartment will appear to be significantly smaller in my local board's database than other same-size apartments in the same building. How should I deal with this situation?**

The RMS provides an exception for properties that are entirely below grade. The outcome of this exception means that if the apartments in a building are the same and are of one level, there would be no discrepancy between all the apartments in the building except that the apartments below grade would have a clarification to say that the entire property is below grade. To be consistent with this outcome you can include the below grade portion in your local board's RMS field, but you will need to identify size of the area that is below grade in the public comments of the listing information. You may also provide additional information that would be of value to the marketing of the property such as identifying the depth of the level below grade.

This approach will also be applicable for stacked townhouses with identical units.

**My seller has a heated attached garage that he wants included in the RMS area. He no longer uses this space as a garage because he now uses it as a games room, wine tasting, and smoking room. Can I include this former garage space in the RMS Area?**

The RMS area includes any additions and conversions to the main property when they meet the following criteria:

- The structure is permanent and has a foundation or footings
- The structure or conversion is connected permanently to the main electrical service
- The structure or conversion is heated by the main heating system or it has its own permanent heating system. The heating system is able to heat the space to 22°C year round