

CODE OF ETHICS: PREVENTING UNLICENSED PRACTICE TRANSCRIPT

00:08 Condominium managers and provider businesses licensed by the Condominium Management Regulatory Authority of Ontario (or CMRAO) have an obligation to promote and protect the best interests of their clients.

00:27 A condominium manager has many important responsibilities and obligations set out under the *Condominium Management Services Act* (or CMSA).

00:37 A condominium manager is obligated to act honestly, ethically, and in the best interest of the condominium corporation. To that end, the Code of Ethics was developed to establish a standard of good practice; govern the way condominium managers behave; and promote professionalism, reliability, and quality of service.

00:58 Every licensed condominium management provider business must designate one person to act as their Principal Condominium Manager, or PCM. The PCM must hold a General Licence and is responsible for ensuring that the provider business complies with the CMSA, which includes the Code of Ethics regulation.

01:18 Imagine a small but established property management company that currently manages apartment buildings but is now interested in expanding into condominiums.

01:28 The company owner reviews the CMRAO's website and understands they will need to hire a General Licensee to act as their Principal Condominium Manager before they can apply and be issued a Condominium Management Provider licence.

01:42 The company hires an experienced condominium manager with a General Licence who agrees to act as the PCM and helps the company set up new operating procedures for managing condominiums. Once the provider licence is issued, the company secures its first condominium client.

01:59 At first, things seem to be running smoothly, but the General Licensee notices that the company owner is quite involved in the day-to-day operations.



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02:09 One day, the General Licensee receives an email thread from the condominium board's president, in which the company owner recommends a new landscaping contractor and signs off as "Property Manager."

02:21 The Board president notes that they are generally satisfied with their current landscaper and asks the General Licensee for their thoughts on the matter.

02:30 Which of the following would be an appropriate course of action for the General Licensee, who is also the company's Principal Condominium Manager, to take?

02:39 A. The company owner is the boss. The PCM should back them up and agree with their recommendation,

02:47 B. Tell the board president that it's best to discuss procurement of a new landscaper at the next Board meeting and leave it at that,

02:56 C. Tell the board president that if they are satisfied with their current landscaper then there is really no need to change,

03:04 D. Forward the email to the company owner noting that you are concerned by the fact that they have recommended a new landscaper without your knowledge as the company's PCM and advise them against using the title "Property Manager" with condominium clients.

03:22 The correct answer is D.

03:24 The Principal Condominium Manager must ensure that the company adheres to the CMSA. This includes ensuring that only licensed individuals provide condominium management services on behalf of the provider business.

03:39 The use of the "Property Manager" title in this context could give people the wrong impression about their actual role. At the very least, the General Licensee should raise their concerns with the company owner in writing.

03:52 There are also some additional steps that a General Licensee acting in the role of PCM should take under these circumstances.

04:01 There may be some misunderstanding involved, or this may be something more serious. After hearing the company owner's side of the story, the General Licensee should raise the matter with the condominium's Board of Directors.

04:14 The Code of Ethics requires condominium managers to use their best efforts to prevent error and misrepresentation, and not to engage in any act or omission that would reasonably be regarded as unprofessional.

04:28 If the situation does not improve, the General Licensee should rethink their involvement with this company, and also consider raising their concerns with the CMRAO.

04:38 Principal Condominium Managers play an important role in ensuring that management provider businesses comply with the CMSA, including the Code of Ethics. And when a provider fails to comply, both the provider and the Principal Condominium Manager can be held accountable.

04:55 Condominium managers are licensed professionals who are expected to set a good example of professional conduct when providing condominium management services.

05:04 The CMRAO provides useful tools and valuable information to help condominium managers and provider businesses understand all the relevant legislation and requirements.

05:15 For more information about the Code of Ethics regulation, please visit the website, cmrao.ca.