



THE REGISTER

SREC Newsletter

Fall 2021

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Each issue of *The Register* is designed to focus on trending issues in the real estate industry of Saskatchewan as well as offer educational moments and registrant-specific information and reminders.

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THE COMMISSION OFFICE WILL BE CLOSED
DECEMBER 24, 2021 AND WILL REOPEN JANUARY 3, 2022.

Investigation Summaries

REGISTRANTS:

In order to maintain the professionalism of the industry, it's important for you to keep up-to-date on practice issues and disciplinary histories so you can continue to competently serve clients and customers.

STAKEHOLDERS AND CONSUMERS:

Everyone has the right to be aware of who has been disciplined in the real estate industry. It is important information to know—especially if you are looking to hire the services of a registrant (agent).

Below is a brief summary of recent decisions. As always, full summaries can be found through our website (posted for three years), or on CanLII (posted indefinitely).

2020-78 Kumar Amit: On November 3, 2021, Mr. Amit was issued an order of reprimand and: a \$1,500 fine for breaching s. 39(1)(a) of *The Real Estate Act* by failing to notify a listing brokerage in a timely manner that the buyer's deposit had not been collected in accordance with the contract of purchase and sale; and a \$1,000 fine for breaching s. 58(1)(b)(v) of the *Act* by drafting an offer to purchase that did not clearly show the amount of the deposit made at the time of the offer.

2020-82 Philip Petryshyn: On November 3, 2021, Mr. Petryshyn was issued an order of reprimand and a \$1,500 fine for breaching Bylaw 702.1 by engaging in conduct that was unprofessional or unbecoming of a registrant in the course of his practice.

2021-13 Larry Stewart: On November 3, 2021, Mr. Stewart was issued an order of reprimand and a \$12,000 fine for breaching Bylaw 712(b) by failing to review and approve all advertising created by registrants of his brokerage to ensure compliance with the *Act*, the regulations and the bylaws.

Requesting Use of a Nickname

The Commission Bylaws require registrants to practice in their name as it appears on their Certificate of Registration (their legal name).

Registrants may request to practice under a nickname. The Commission will approve your request provided the name you are requesting is your middle name(s), or a derivative of your first or middle name (s), as long as:

- It is a bona fide name (NOT a marketing gimmick).
- It is in English, using alphabetical characters, hyphens, or apostrophes only.
- Using it would not mislead others or undermine the integrity of the industry.

If the name you are requesting is not a derivative of your first or middle name, you must demonstrate you are known by the name, by providing:

- A Statement indicating how long and in what circles you have been known by the name,
- Copies of documents that prove your current use of the requested name, such as a copy of utility bill, bank statement, credit card statement or a void cheque.

The Commission cannot approve any alterations to your legal last name.

Professional Corporations: It's Time to Renew

What is a Professional Corporation?

A Professional Corporation is used by many registrants who wish to incorporate either for legal and/or tax purposes.

Once a Professional Corporation has been established, it needs to be renewed every year prior to December 31. Note that permits for Professional Corporations are based on a calendar year (December 31st), not our fiscal year (June 30).

This is a reminder that our office is closed between noon on December 24th and January 2. If you have a Professional Corporation, and have not yet renewed it, you will need to renew prior to December 21st in order to allow enough time to process the renewal.

For steps to renew your professional corporation, search your emails dated October 19 and November 12, 2021.

LATE RENEWAL NOTICE:

If you plan to renew your PC Permit and fail to do so by the deadline, a late fee of \$100 will be added to the renewal fee for a short time period. If you fail to renew within this window of time, your PC Permit will be expired and you will have to reapply for a new permit. NO EXCEPTIONS.

If you have any questions about the renewal process, please contact Gail Armstrong at ext 1.

Electronic Banking & Trust Accounts

Although banks have remained open during the pandemic, changes in banking hours may impact a brokerage's ability to make timely deposits into its trust account.

According to s. 71(1)(b) of *The Real Estate Act*, a brokerage must deposit into a trust account all money received by the brokerage in trust for other persons in connection with a trade in real estate within two business days after the later of: the day on which the offer to purchase is accepted; and the day on which the money is received by the brokerage.

As this requirement is set out in the *Act*, the Saskatchewan Real Estate Commission cannot waive the requirement or extend the time in which the brokerage must deposit the trust money it receives. Although we cannot waive the requirement, the bylaws do allow for electronic transfers in and out of trust accounts provided the appropriate records are kept. More specifically:

- Bylaw 623.1 allows for deposits into a trust account using an ABM card;
- Bylaw 624.1 permits electronic deposits into a trust account using the internet; and
- Bylaws 623.2 and 624.2 allow for transfers of money out of a trust account using an ABM card and the internet, respectively.

The details of the records to be kept in each situation are set out in these bylaws. The bylaws are posted on the Commission website under "Our Legislation".

Tips on: Using the Notice to Remove Conditions Form

The *Notice to Remove Conditions on Residential Contract of Purchase and Sale* is a mandatory form to be used by a buyer or seller to remove a condition that he or she has placed on the sale of a property.

It is important to note that this form can *only* be used to **remove** conditions, and *never* to add new conditions and terms to a contract of purchase and sale.

In Hearing Committee decision #2009-02, the Hearing Committee noted that conditions in a trade in real estate must be clear and verifiable. Improper use of the Notice to Remove Conditions Form can jeopardize the clarity of which conditions are in place and which have been removed. The Commission reminds all registrants that Notice to Remove Conditions forms must be unequivocal.

Example # 1 of what NOT to do:

Your client has signed a contract of purchase and sale which includes a condition of a satisfactory home inspection that reveals that several items require repair.

It is **not** appropriate for the Notice to Remove Conditions Form to state that “the home inspection condition is removed pending the buyer and seller negotiating and agreeing to a holdback of a portion of the purchase price”.

Example # 2 of what NOT to do:

In the same scenario mentioned above, imagine that the home inspection is completed, and it reveals that the water heater needs to be replaced. It is **not** appropriate for the Notice to Remove Conditions form to state that “the conditions are removed”, and then go on to state that “the seller will replace the water heater prior to the buyer taking possession of the property”.

What SHOULD be done:

Use an Amendment to Contract of Purchase and Sale form to include the new terms or conditions.

For questions on this topic, contact the Compliance Department at compliance@sec.ca or call 306 374-5233 and select option 3 for Nina Criddle or option 4 for Bill Craik.

Important Dates and Deadlines

Renewals for Permits for Professional Corporations begins Oct. 19, 2021.
Deadline: Dec 31, 2021

Late Renewals for Permits for Professional Corporations may be processed in January 2022. Late fee is \$100.

Annual Financial Returns filings for 2021 begin January 3, 2022.
Deadline: Mar 15, 2022.

Continuing Professional Development courses will be available early January 2022.
Deadline: May 31, 2022

Regular Office Hours:

Monday to Friday:
8:30am - 12:00pm
1:00pm - 4:30pm

We are closed on Saturday, Sunday and Statutory Holidays

The office of the Commission will be closed at noon on Friday, December 24, 2021 and reopen on Monday, January 3, 2022.



Continuing Professional Development

Continuing Professional Development (CPD) is to be completed by all registrants who wish to renew their registration for the next fiscal year.

Registration for CPD will open in January 2022.

Notices will be sent by UBC to each registrant.

CPD **must be completed by May 31st** of each registration year to be eligible to renew certificates of registration for the next year.

Contact Us

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Commission Members

Cliff Iverson, Chair, Regina, elected

Cam Bristow, Saskatoon, elected

Tim Hammond, Saskatoon, elected

Al Myers, Saskatoon, appointed

Alberta Mak, Battleford, elected

Anne Parker, Regina, appointed

Lori Patrick, Regina, elected

Dean Staff, Saskatoon, appointed

Bob Volk, Regina, appointed

Wayne Zuk, Saskatoon, elected

Vacant, Public Member