



THE REGISTER

SREC Newsletter

Fall Edition 2020

In This Issue...

The Saskatchewan Real Estate Commission's mission is, *"To protect the public interest by ensuring that registrants act within a professional framework that promotes ethical conduct and integrity and strengthens consumer trust and confidence."* One of the methods the Commission uses to deliver our mission is that of regular industry communication. In this edition, we have included several reminders and discuss issues of importance to the industry.

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We are very interested in hearing from our registrants. What information do you need? What would be helpful? As always, please do not hesitate to contact us with any questions or concerns that you might have.

The Commission Annual General Meeting

The Saskatchewan Real Estate Commission extends a cordial invitation to all registrants to attend the upcoming Annual Meeting.

Due to COVID-19 social gathering restrictions, the Commission's 2020 AGM will be held virtually on **Thursday, October 8, 2020 at 1:00p.m.**

Pre-Registration is required by **Wednesday, October 7, 2020 at noon.**

To register, email info@srec.ca or phone 306.374.5233, ext 1. Your registration will be confirmed and information provided on how to participate in the meeting will be emailed in advance of the meeting.

Message from the Commission's Practice Advisor

From Bernie Weinbender

It has now been a little over a year since I took on the position of Practice Advisor. The Commission created the position in June of 2019 to provide a service to Brokers, Associate Brokers and Branch Managers (collectively called Brokers) with information and practice advice on a confidential and without prejudice basis.

There is a level of trust that is acquired over time and when contacting me the Brokers feel comfortable about discussing their issue or asking any questions they have.

The position has been received with positive comments and feedback and appreciation that this service is now available.

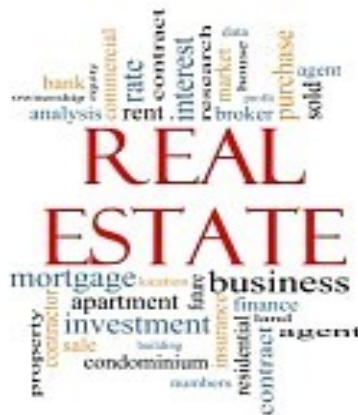
Inquiries have come in from all corners of the province and from brokerages of all different sizes. The questions are wide ranging in topic and can relate to almost any part of the legislation. I can answer several calls in a day with each call involving a different topic.

My past experience of over 33 years in the real estate industry as a Salesperson to Broker together with involvement in the Association and the Commission allows me to not only give advice on our legislation but also gives me a good understanding of how registrants work and think. A Broker can ask a question relating to a section of The Act, its Regulations, and the Bylaws and I can have the answer they need right away, however there is usually one or two questions each week where I will need to do some research to find the information but will always get the answer the Broker is needing.

There also can be questions involving a topic that the legislation does not address, in these cases I am able to provide what resources are available and where to find them.

I welcome all Brokers, Associate Brokers and Branch Managers with any questions they have to contact me for advice and guidance to ensure compliance is followed in their brokerage.

Contact Bernie at practiceadvisor@srec.ca, or call 306-374-5233, ext 9



COVID-19 and the Real Estate Industry

COVID-19 has affected many markets over the course of 2020, the real estate market being no exception. The events of the past few months have changed the ways in which our society functions in unprecedented ways. All levels of government in Canada and around the world are enacting policies intended to stop community spread of the virus via social isolation, which has resulted in millions of Canadians working from home and staying away from businesses and other public places.

The drive to “flatten the curve” is necessary to protect high-risk individuals from infection and to ensure the Canadian health care system is not overwhelmed, but the measures that have been put in place to minimize the spread of the virus are having a significant impact on industries that rely on in-person interactions, like real estate. The impact of the pandemic on world economies has given rise to fears of a global recession and concerns about the purchasing power of consumers in the wake of the coronavirus.

The province of Ontario was the first to request that real estate agents be deemed an essential service and the federal government agreed. However, key changes in the way real estate agents operate were needed. One of the most obvious challenges for real estate agents is showing properties to potential buyers given the public health risks and the need to minimize in-person contact. Local real estate Boards and Associations implemented safety measures in order to return to showing homes in person.

That said, the responses to, and continuing adaptations called for by, evolving directives from all levels of government can lead to confusion and stress for the sellers and tenants of properties that are listed for sale. On occasion, this has given rise to complaints filed with the Commission. It has never been so important for registrants to remain professional in all situations.

*Commission Bylaw 702.1 –
A registrant shall not engage in
Conduct that is disgraceful,
unprofessional or unbecoming
of a registrant in the course of
his or her practice.*



Commission Disciplinary Action

The Commission's Investigation and Hearing Committees and the Legal & Compliance Department continue to work diligently managing numerous complaints and investigations. The Consent Order option to a formal hearing continues to be an effective and efficient method to closing complaint files.

The Consent Order process allows registrant(s) involved in a complaint to more efficiently deal with the breach and resultant sanction(s), and avoid the costs and time inherent in the formal hearing process.

Registrants are encouraged to review the elements of the discipline process on our website ([Commission Discipline Process](#)), which includes a simplified diagram explaining the steps involved.

Below is a brief summary of each decision (listed numerically), with its direct link. As always, full summaries can be found through our [website](#) (posted for three years), or on [CanLII](#) (posted indefinitely).

[2019-36 Jesse Renneberg](#): On June 4, 2020, Mr. Renneberg was issued an order of reprimand and:

- a \$1,500 fine for breaching Bylaw 714 by failing to take reasonable steps to discover facts pertaining to a property for which he accepted an agency agreement.

[2019-62 Nav Chahil](#): On July 20, 2020, Mr. Chahil was issued an order of reprimand and:

- a \$1,000 fine for breaching ss. 53(2) of *The Real Estate Act* by trading in real estate other than for or on behalf of his brokerage; and
- a \$1,000 fine for breaching Bylaw 730(f) by failing to use the mandatory Disclosure of Interest in Trade form.

QUESTIONS?

Contact the Commission's Legal & Compliance department at:

compliance@srec.ca, or
call 306-374-5233.



Mandatory Forms

The Commission has developed a group of mandatory forms that are designed to ensure all registrants proceed through a real estate transaction in an effective, efficient and compliant fashion. The use of these forms also provides a level of protection to the public as registrants help them navigate complex real estate transactions.

What are the mandatory forms all registrants must use and where can you access them?

1. Residential Contract of Purchase and Sale (except for new condos)
2. Schedule "C": Specified Terms for Contract of Purchase and Sale of a Condominium Unit (except for new condos)
3. Counter Offer to Residential Contract of Purchase and Sale
4. Amendment to Residential Contract for Purchase and Sale
5. Notice to Remove Conditions on Residential Contract of Purchase and Sale
6. Disclosure of Interest in Trade
7. Ancillary Services in the Purchase of Residential Real Estate (applies only to re-sale properties)

What is the Cost of Professional Misconduct ?

As professionals, you are expected to hold yourself and your business to a higher standard of conduct and service than your average layperson. A registrant whose conduct does not meet this standard may face a broad range of consequences, such as termination of employment by the broker, damage to their professional reputation, and public disclosure or negative media attention.

If a registrant's conduct constitutes a breach of any provision of *The Real Estate Act*, the *Regulations*, or the Commission Bylaws, they may also face disciplinary action by the Commission. Potential sanctions the Commission may order include:

- Conditional registration;
- Educational upgrading;
- Fines up to \$25,000 for each finding of professional misconduct or \$100,000 for all such findings;
- Suspension of registration; and/or
- Cancellation of registration.

Non-registrants found to be trading in real estate are liable to prosecution under the *Act* that may result in:

- Fines up to \$10,000 for an individual's first offence;
- Fines up to \$20,000 for an individual's second offence; and/or
- Fines up to \$50,000 for a corporation.

Know the boundaries, expectations and rules of your profession and put them into practice.

The Time Needed to Close

The Commission has received feedback from members of the legal profession in Saskatchewan that the timelines between condition removal and possession dates are becoming shorter and shorter. As a result, there have been a significant number of transactions where conveyancing instructions are not provided to legal counsel for the buyer or seller until shortly before the possession date.

With increasingly short timelines, there is a heightened potential for error, resulting delays, or complaints, which are often to the detriment of both buyer and seller. These issues reflect poorly on the legal profession and registrants alike.

Registrants should keep in mind that ISC and the Land Titles Registry can take 2-4 days to process title transfers and other registrations during peak seasons. These processing times can make it very difficult for transactions to close on short notice.

Further, registrants should be aware that lenders, banks and insurers, will often experience delays in their processes and require more time to generate and provide documents, such as payout statements, policies, and the like. The pandemic has also played a part in such delays and it is more important than ever to be aware of closing requirements and to keep timelines realistic.

It is important to note that acting in your clients best interests may not always mean setting a possession date that they want, but rather giving them practical and honest advice about when a transaction can actual close, even if it is not what they want to hear.



Important Dates & Deadlines:

Commission AGM:

- October 8 at 1pm

Commission Meetings:

- December 9, 2020

- March 10, 2021

- June 9, 2021

The Commission Office will be closed on the following dates:

- October 12, 2020 for Thanksgiving

- December 24, 2020 to January 1, 2021 for the Holiday Season

Did You Know...?

... That Bylaw 725.1 requires a registrant who is leaving a brokerage to give written notice to the broker or branch manager in person or at the office of the brokerage?

This notice must be given prior to termination and must indicate the effective date on which the registrant will cease to represent the brokerage. A copy of the notice of termination must be provided to the Commission office within 5 days.

... That all advertising, including Facebook pages and other social media profiles, must include the name of the registrant's brokerage as it appears on the brokerage's certificate of registration?

It is not sufficient to include only the name of the franchise, team name, or a shortened version of the brokerage's name or a logo that does not include the full name of the brokerage.

Additionally, each viewable page of a registrant's website include the full name of the brokerage with which the registrant is registered.

Regular Office Hours:

Monday-Friday, 8:30am-noon and

1pm–4:30pm

Closed weekends and holidays.

Contact Us

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Commission Members

Vern McClelland, Chair,
Lloydminster, elected

Cam Bristow, Saskatoon, elected

Cliff Iverson, Regina, elected

Al Myers, Saskatoon, appointed

Anne Parker, Regina, appointed

Lori Patrick, Regina, elected

Bill Preston, Saskatoon, appointed

Dean Staff, Saskatoon, appointed

Bob Volk, Regina, appointed

Wayne Zuk, Saskatoon, elected

Vacant, Area 3 (rural), elected