

Evaluating New Business Models

It is not uncommon for registrants to look around and see a need in the real estate market that appears to be underserved or not addressed at all by the current practices of the industry. Developing business models to serve these needs can be a way for registrants to branch out into new ventures, but a registrant's desire to grow their business and brand must always be considered in light of the registrant's obligations under *The Real Estate Act*, Regulations and Commission Bylaws.

Registrants need to keep in mind that the definition of a "trade" in real estate is very broad and captures a lot of activities relating to the purchase, sale and management of real estate.

Registrants interested in branching out into different parts of the real estate market should be discussing these ideas with their brokers to ensure that there are no issues of non-compliance with the legislation or with brokerage policy. If the services a registrant plans to provide constitute a "trade" in real estate, all marketing materials must include the name of the brokerage and be provided to the registrant's broker or branch manager for review and approval prior to publication or distribution.

If the new business model involves the MLS® or relates to the registrant's obligations as a member of the Saskatchewan REALTORS® Association, the registrant should reach out to the Association to discuss the idea.

A registrant who is unsure if a new service constitutes a "trade" in real estate or if a new business model complies with a registrant's legislative obligations is welcome to contact the Commission's Legal & Compliance Department and discuss the idea with the staff.