

BULLETIN NUMBER:	RE-14-001
TITLE:	AMENDED POLICY STATEMENTS BY THE SUPERINTENDENT OF REAL ESTATE
LEGISLATION:	<i>REAL ESTATE DEVELOPMENT MARKETING ACT</i>
DATE:	AUGUST 2014
DISTRIBUTION:	REAL ESTATE DEVELOPERS, BROKERS AND LAWYERS IN BRITISH COLUMBIA

PURPOSE

The Superintendent of Real Estate (Superintendent) has introduced amendments to eight policy statements in order to clarify disclosure requirements for real estate developers and enhance consumer protection by providing clearer, simpler disclosure for purchasers. These amended policy statements will become effective on October 1, 2014, and complement recent amendments to the *Real Estate Development Marketing Act* itself.

Further information on the disclosure program and amended policy statements is provided below. A website link to the amended policy statements is also provided below.

BACKGROUND INFORMATION

Under the *Real Estate Development Marketing Act*, a developer must file a disclosure statement with the Superintendent and provide a copy to each purchaser. The Superintendent's Policy Statements 1, 2, 3, 8, 9, 10 and 11 set out the required form and content for a disclosure statement for each type of development property. Policy Statement 5 requires additional disclosure where building permits have not yet been obtained.

Beginning on October 1, 2014, amended Policy Statements 1, 2, 3, 8, 9, 10 and 11 will require new disclosure statements, and new amendments to existing disclosure statements, to more clearly disclose construction commencement and completion dates, and zoning. Beginning on October 1, 2014, amended Policy Statement 5 provides for marketing with multiple or staged building permits.

The new disclosure requirements also provide for a phase disclosure statement (e.g., a disclosure statement for a specific phase of a strata development) and a consolidated disclosure statement (e.g., a disclosure statement as modified by filed amendments).

Additionally, the new disclosure requirements confirm that, in accordance with the *Real Estate Development Marketing Act* and the *Electronic Transactions Act*, a developer may provide a copy of a disclosure statement by electronic means but only with the written consent of the purchaser.

Clearer and simpler disclosure requirements protect purchasers by providing better information and supporting developer compliance.

MORE INFORMATION

Disclosure statements and amendments filed prior to October 1, 2014, will continue to satisfy form and content requirements if the substantive content complies with the Superintendent's policy statements immediately prior to October 1, 2014, and they do not otherwise contain a misrepresentation. However, the new disclosure requirements would have to be met in the next amendment that is filed on or after October 1, 2014.

Further information about disclosure requirements under the *Real Estate Development Marketing Act* is available on the Financial Institutions Commission's website at:

http://www.fic.gov.bc.ca/index.aspx?p=real_estate/index.

All of the Superintendent's policy statements, including amended Policy Statements 1, 2, 3, 5, 8, 9, 10 and 11 that become effective on October 1, 2014, are available on the Financial Institutions Commission's website at: http://www.fic.gov.bc.ca/index.aspx?p=real_estate/bulletins.

At the office of the Superintendent of Real Estate, we issue information bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Real Estate Development Marketing Act*, Regulations and other pertinent legislation. While the comments in a particular part of an information bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an information bulletin generally applies as of the date on which it was published, unless otherwise specified.