
Issue No. 17 – January 2011

BULLETIN

TO ALL REAL ESTATE AGENTS

(To be posted in all Agencies)

Removal of Property Management from the Application of The Real Estate Trading Act (“the Act”)

On December 16, 2010, the *Act* was amended to remove from the definition of “trade” or “trading”, under section 2.(k) of the *Act*, real property management and the collection of rents for others. Also, section 4. of the *Act* was amended to exclude a person in the business of property management who arranges a lease or rental agreement from the provisions of the *Act*.

Requirement for a License Under the Act

As a result of these amendments, Agents and Salespeople whose sole reason for obtaining a license under the *Act* was for real property management and the collection of rents for others are no longer required to hold a licence. If you no longer wish to be licensed please notify our office in writing.

Trust Account Under Section 29.(1) of the Act and Property Management Funds

Real Estate Agents whose activities include property management in addition to sales, must ensure that the funds related to property management are kept separate from the funds related to sales and are not deposited into their real estate sales trust account.

Agency Financial Reporting

Property Management firms who wish to maintain their license under the *Act* are required to comply with the new Financial Reporting Requirements. If to-date you have not complied with the reporting requirements you must contact Mr. Cory Comerford, of our office, at 729-0608 or email corycomerford@gov.nl.ca to ensure the continuation of your license.

Information

A copy of the amendments can be viewed at <http://www.assembly.nl.ca/business/bills/Bill1032.htm> and a copy of the *Act* can be viewed at <http://assembly.nl.ca/Legislation/sr/statutes/r02.htm>

The Financial Reporting Requirements for licensed agents are available at
http://www.gs.gov.nl.ca/real_estate/Financial_Reportng_Package_to_Agents_2010.pdf

For more information please contact our office at 729-2595 or email gsinfo@gov.nl.ca