



Annual General Meeting Q&A

What are the recent disciplinary decisions about?

The decisions concern two registrants involved in transactions connected to a group of failed real estate investment companies, which were not registrants and were not regulated by the Saskatchewan Real Estate Commission (the Commission). The Commission reviewed numerous transactions and individual transaction files. The decisions addressed documentation, client representation, limited dual agency, contractual deadlines, disclosure and information provided during the investigation.

What prompted the Commission to open an investigation?

The matter began with an anonymous complaint. No member of the public has made a complaint to the Commission or, to the Commission's knowledge, commenced legal action against the registrants, nor have criminal charges been laid in connection with these transactions. The Commission conducted a full investigation.

Did the Commission regulate the companies known as Epic Alliance?

No. The Commission regulates registrants under *The Real Estate Act*. It does not regulate non-registrants, mortgage brokers or appraisers, and it does not enforce securities law. The decisions note that the Financial and Consumer Affairs Authority of Saskatchewan (FCAA) issued a Temporary Cease Trade Order relating to the companies known as Epic Alliance.

What did the Commission do once it received the information?

Upon receiving the anonymous information, the Commission recognized the significant volume of documentation that would need to be reviewed and took proactive steps to ensure a thorough investigation, including hiring two additional full-time employees to assist with the file review.

What did the Commission review?

The Commission reviewed numerous transactions and inspected individual transaction files, including:

- Transaction documents;
- Service agreements;
- Client representation;
- Limited dual-agency practices;
- Contractual deadlines;
- Disclosure of material information;
- Buyer information and correspondence; and
- Information provided to the Commission during the investigation.

What did the investigation find?

The decisions identified the following:

- The seller had marketed the properties, negotiated the sale price, and secured a buyer independently;
- The registrants failed to provide meaningful representation to buyers;
- The registrants failed to explain limited dual agency and the implications of declining inspections;
- Improper handling of contractual deadlines;



- Required information was often missing from transaction documents;
- A failure to disclose known asbestos and vermiculite;
- Incomplete service agreements; and
- The registrants provided misleading statements or omissions during the investigation.

What sanctions were imposed?

Each registrant received:

- A reprimand;
- A six-month suspension;
- A \$100,000 fine;
- Required courses;
- Ongoing audits and monitoring by the Commission; and
- Registration conditions for two and a half years.

The orders provide that registration may be terminated if any of the requirements are not met.

Both individuals were terminated by their broker on October 1, 2026, and are not currently registered to trade in Saskatchewan.

What were the conditions on registration?

Conditions on registration (for two years and six months) included, but may not be limited to the following:

- Registrant must notify all members of the public of the registration conditions in advance of representing a client.
- Registrant will provide weekly updates on their real estate practice to the Commission.
- Registrant will provide the names and contact information of all clients met, and potential clients contacted during the week.
- Registrant must provide weekly updates on their real estate practice and all trading in real estate to their broker.
- The broker shall immediately report to the Commission any and all concerns or complaints the brokerage receives, or any concerns of the broker arising from the weekly updates.
- The Commission will conduct monthly inspections of the registrants practice that must demonstrate material compliance with the legislation and these conditions.
- If conditions are not satisfied registration will terminate.

How does the Commission's disciplinary process work, and who makes these decisions?

The Real Estate Act provides registrants with time to respond, obtain legal advice and decide whether to agree to the facts, the charge and the sanction, or proceed to a formal hearing. The Commission's process involves four distinct bodies with different roles:

- The Commission is the governing body responsible for the public-protection mandate.
- Review Officers investigate individual files but do not decide individual disciplinary outcomes.
- The Investigation Committee reviews complaints and investigation findings and decides whether a matter should proceed to discipline.
- Hearing Committees are independent adjudicative panels that determine findings and impose sanctions in individual cases. They operate independently of the Commission, which does not direct or review their reasoning.



In these matters, both registrants signed statements of facts and admissions and consented to orders reviewed by Hearing Committees. This structure is designed to ensure decisions are based on evidence, procedural fairness and the applicable law, and it is why the Commission does not comment publicly on the Hearing Committee's specific reasoning beyond what is set out in the published orders.

How does the Hearing Committee decide on an appropriate sanction?

Hearing Committees apply established regulatory sentencing principles, including:

- Parity: consistency with sanctions imposed in comparable cases;
- Proportionality: matching the sanction to the severity of the conduct;
- Progressive discipline: escalating sanctions appropriately where there is a pattern of conduct; and
- The least restrictive measure necessary: a sanction sufficient to protect the public and maintain standards, without being more severe than required.

Why were the registrants not permanently banned?

The Hearing Committees imposed the sanctions set out in the orders, including fines, suspensions, education, audits and registration conditions. The orders provide for termination of registration if their requirements are not met. Both individuals are currently not registered to trade in Saskatchewan.

Why did the Commission stagger their six month suspensions?

The suspension terms are set out in the public consent orders. One registrant's suspension took effect immediately, while the other was scheduled to begin at a later date.

Both orders are part of a complete package of sanctions that includes a \$100,000 fine, required education, ongoing audits and two and a half years of registration conditions for each registrant. We would encourage anyone with questions about the specific terms to review the published decisions directly.

The Commission is not in a position to characterize the Hearing Committees' reasoning beyond what is stated in the orders themselves.

Why could the Commission not identify the activity earlier?

The Commission does not have access to MLS® data. Only those with real-time MLS® access can monitor which registrants are conducting trades, the value of those trades and their volume. Public filings in a related court proceeding, the First Report of the court-appointed Inspector in the matter involving the companies associated with these transactions, indicate that properties were listed on MLS® using REALTORS® in order to give the transaction the appearance of not being a private sale (for the purposes of obtaining a mortgage on the properties from a bank or mortgage lender). The purchasers had reportedly already been identified and the properties sold at the value identified by the appraiser retained by the seller. The Commission was not the author of this report and is not in a position to independently verify or adopt its findings, however, the decisions note that seller had marketed the properties, negotiated the sale price, and secured a buyer independently. This situation illustrates why transaction patterns of this kind can be difficult for a regulator to detect without full access to underlying MLS® and transaction data.

Why did the Commission not have access to the transaction data it needed, and why does the Commission want data/information sharing with the Saskatchewan REALTORS® Association (SRA)?

Before June 2024, the SRA did not provide transaction data when the Commission requested it for this matter or other files. In November 2021, the SRA indicated to the Commission that it could not have a role in providing data to the Commission. Timely access to transaction information would allow the Commission to identify unusual patterns earlier, such as unusually high transaction volumes by a single registrant, or transactions that appear structured to avoid appearing as private sales, to verify trust account balances, and to support more



effective, proactive risk assessment rather than relying solely on complaints. This is why the Commission has requested a formal data-sharing agreement with the SRA.

Why is the Commission asking the SRA to be more transparent about its own disciplinary decisions?

Public confidence depends on transparency across the full regulatory and governance landscape, not the Commission's processes alone. The SRA, as a professional association, applies a Code of Conduct to its members. Transparent publication of its disciplinary outcomes, consistent with the Commission's practice of publishing decisions, supports consistent public accountability, and helps consumers and registrants understand the full picture of oversight in the industry. The SRA indicated in 2024 that it was conducting its own independent investigation into Epic Alliance related matters; the Commission has not been advised of the results of that investigation and welcomes its publication.

What is the relationship between the Commission and the SRA?

The Commission is an independent statutory regulator. The SRA is a voluntary provincial trade association that represents REALTORS®, provides training and supports access to the MLS®.

The Commission and the SRA have different mandates. The Commission acts in the best interests of the public. The SRA supports and advocates on behalf of its members.

The Commission is governed by and enforces *The Real Estate Act*, its Regulations and Commission Bylaws. The SRA is governed by its members, has responsibilities as a trade association, including enforcement of the CREA Code of Conduct for its members.

Does the Commission believe improvements are needed?

The Commission welcomes feedback and the third-party review. Continuous improvement supports the public, the profession and consumer confidence. The Commission has adopted relevant recommendations from previous external reviews where possible, and looks forward to receiving recommendations for improvement through the FCAA review, stakeholder feedback and the upcoming public consultation.

How does this process serve to protect the public?

The decisions identify conduct that fell short of the professional standards required of registrants. To the Commission's knowledge, no member of the public complained about these transactions, commenced legal action against the registrants, nor have criminal charges been laid in connection with these transactions. The Commission investigated after receiving anonymous information, reviewed numerous files, added staff to manage the scope of the review, and imposed substantial sanctions, including the maximum statutory fine, suspensions, education requirements, audits, and multi-year conditions. Neither registrant is currently registered to trade.

This situation demonstrates the regulatory process functioning as intended: identifying serious conduct and acting on it. It also illustrates why regulators need effective access to information and why continuous improvement matters: priorities the Commission is pursuing through the FCAA review, the SRA data-sharing request, and the proposed public consultation.

The Saskatchewan Real Estate Commission is responsible for the regulation of Saskatchewan's real estate industry. The Commission is mandated to protect consumers and the public interest by ensuring that registrants act within a professional framework that promotes ethical conduct and integrity and strengthens consumer trust and confidence.

For more information, please contact the Commission directly:

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