

**REAL ESTATE DEVELOPMENT MARKETING ACT  
POLICY STATEMENT 16  
(AMENDING POLICY STATEMENT 1)  
ADDITIONAL DISCLOSURE STATEMENT REQUIREMENTS  
FOR DEVELOPMENT PROPERTY CONSISTING OF FIVE OR MORE STRATA LOTS  
REGARDING ASSIGNMENTS OF PURCHASE AGREEMENTS**

**Effective January 1, 2019**

1. Interpretation

In this Policy Statement:

- (a) "Act" means the *Real Estate Development Marketing Act*,
- (b) "superintendent" means the person appointed as Superintendent of Real Estate under the *Real Estate Development Marketing Act*; and
- (c) unless the context otherwise requires, other words and expressions have the meanings given to them in the *Real Estate Development Marketing Act*.

2. Applicability

This Policy Statement 16 applies to the marketing of any of five or more strata lots in a stratified building in a freehold or leasehold strata plan.

This Policy Statement 16 does not apply to the marketing of bare land strata lots in a bare land strata plan or to the marketing of development units that are not strata lots.

3. Disclosure Statements – General

The superintendent's Policy Statement 1, which includes Form 1, sets out the form and content required under section 14 of the Act for disclosure statements filed in relation to development property consisting of five or more strata lots. This Policy Statement 16 amends Policy Statement 1 in order to make the changes to Form 1 that are explained below.

4. Disclosure Statements – Purchase Agreement if Assignments Permitted

- (a) For the marketing of strata lots where the developer permits an assignment of a purchase agreement, Form 1 is amended to require that the following terms and notice, in substantially the following form, be included in the disclosure statement section entitled Purchase Agreement (i.e.: section 7.2 in Form 1):

"Without the developer's prior consent, any assignment of a purchase agreement is prohibited.

An assignment under the *Real Estate Development Marketing Act* is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement would have to provide the developer with the information and records required under the *Real Estate Development Marketing Act* and Regulations.

The developer must not consent to an assignment of a purchase agreement unless the developer first collects, from each proposed party to the assignment agreement, all of the information and records, including personal information, specified under the *Real Estate Development Marketing Act* and Regulations.

Information and records collected by the developer must be disclosed by the developer to the administrator designated under the *Property Transfer Tax Act*. The administrator may use or share the disclosed information for tax purposes and other purposes allowed under the *Real Estate Development Marketing Act* and Regulations.”

- (b) Any form of purchase agreement used by the developer to market strata lots, where the developer may permit an assignment of that purchase agreement, must be attached as an exhibit to the disclosure statement. The disclosed form of purchase agreement must contain the terms and notice, in respect of assignment, in the form specified under the *Real Estate Development Marketing Act* and Regulations.
5. Disclosure Statements – Purchase Agreement If Assignments not Permitted
- For the marketing of strata lots where the developer does not permit an assignment of a purchase agreement, Form 1 is amended to require that the developer disclose in the section entitled Purchase Agreement (i.e.: section 7.2 in Form 1) that the developer does not permit an assignment of a purchase agreement.
- Any form of purchase agreement used by the developer to market strata lots, where the developer does not permit an assignment of a purchase agreement, must be attached as an exhibit to the disclosure statement. The exhibited form of purchase agreement must be consistent with the disclosure of it in the disclosure statement, including the section entitled Purchase Agreement (i.e.: section 7.2 in Form 1).
6. Other Policy Statements
- The requirements in this Policy Statement 16 are in addition to, and do not displace, other requirements in the superintendent's Policy Statements that may apply depending on the specific circumstances of the developer and development property (e.g.: Policy Statements 1, 5, 6, 14 and 15).
7. Transition
- Every new disclosure statement filed on or after January 1, 2019, for development property to which this Policy Statement applies as set out in section 2 above, must comply with this Policy Statement.
- Every disclosure statement filed before January 1, 2019, for development property to which this Policy Statement applies as set out in section 2 above and marketable on or after January 1, 2019, must be promptly amended as of January 1, 2019, to include the additional disclosure required under this Policy Statement.