

Real Estate Development Marketing Act

Policy Statement 4

ADEQUATE ARRANGEMENTS – TITLE

EFFECTIVE JANUARY 1, 2005

1. Interpretation

In this Policy Statement:

- (a) "Act" means the *Real Estate Development Marketing Act*;
- (b) "all liens, charges and encumbrances" means all liens, charges and encumbrances registered against title to the development unit, except those that will remain on title as agreed to by the developer and purchaser in the applicable purchase agreement; and
- (c) unless the context otherwise requires, other words and expressions have the meanings given to them in the Act.

2. Under section 11 of the Act, a developer must not market a development unit unless the developer has made adequate arrangements to ensure that a purchaser of the development unit will have assurance of title or of the other interest for which the purchaser has contracted.

3. This Policy Statement sets out the circumstances in which arrangements made under section 11(3)(b) are deemed adequate for the purpose of transferring to a purchaser a registrable interest in title to a development unit, free and clear of all liens, charges and encumbrances.

4. Without limiting section 11 of the Act, for the purpose of transferring to a purchaser a registrable interest in title to a development unit, free and clear of all liens, charges and encumbrances, completing the purchase agreement in accordance with undertakings between the developer's solicitor or notary public and the purchaser's solicitor or notary public under which the developer's solicitor or notary public undertakes to discharge from title to the development unit all liens, charges and encumbrances, within a reasonable time after the closing date of the applicable purchase agreement, is adequate.

The Superintendent of Real Estate issued this Policy Statement pursuant to the *Real Estate Development Marketing Act*. Effective August 1, 2021, the Superintendent of Real Estate operates within the BC Financial Services Authority.