

SEPTEMBER 2024 UPDATE: NEW FEES FOR REAL ESTATE DEVELOPERS

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As of September 1, 2024, real estate developers face new fees for filing disclosure statements, amending disclosure statements, and applying for exemptions under the *Real Estate Development Marketing Act* ^[1] (“REDMA”).^[2]

Background

The BC Financial Services Authority (the “BCFSA”) is a self-funded Crown corporation that operates on a cost-recovery basis. BCFSA administers REDMA and the *Real Estate Services Act* and is responsible for reviewing disclosure statements submitted by developers.

REDMA Fee Increases

The previous fees paid under REDMA were established under the former Office of the Superintendent of Real Estate on January 1, 2019. BCFSA has since assumed responsibility for administering REDMA.

According to the BCFSA, the new fees will cover the cost of “administering and enforcing REDMA on a cost recovery basis to support necessary consumer protection, education, risk management, and oversight initiatives.” However, the fee increases come at a challenging time for real estate developers as high interest rates, inflation, and other market factors strain project budgets. Nevertheless, BCFSA claims that the fee increases will allow it to continue to deliver on its mandate of instilling confidence in B.C.’s financial services sector through its oversight of sector safety and soundness and protecting consumers.

Some stakeholders have raised concerns about the amount of the fee increases. However, the BCFSA responded by noting that it has added compliance and enforcement staff to address complaints and compliance with REDMA, practice standards advisors to respond to industry and consumer inquiries regarding REDMA, and policy and communications support.^[3] Additional costs were also attributed to the creation of an in-house legal team to oversee REDMA disciplinary files.^[4] The fee changes are not intended to support any other BCFSA regulatory program.

The updated schedule of fees is set out below. ^[5]

Fee Name	2018/19 – 2022/2023	Effective September 1, 2024
File a disclosure statement:		
5-9 units	\$900	\$2,250
10-49 units	\$1,800	\$4,500
50-99 units	\$3,600	\$9,000
100 or more units	\$5,400	\$13,500
File an application for an exemption		
5-9 units	\$900	\$2,250
10-49 units	\$1,800	\$4,500
50-99 units	\$3,600	\$9,000
100 or more units	\$5,400	\$13,500
File an amendment to a disclosure statement	\$600	\$1,200

Key Takeaways

1. As of September 1, 2024, real estate developers will incur increased fees for:
 - a. filing a disclosure statement;
 - b. filing an application for an exemption; and
 - c. filing an amendment to a disclosure statement.
2. Fees paid by developers will continue to fund the BCFSA’s administration of the REDMA program on a cost recovery basis including future system updates and modernization.
3. Increased fees will add further strain on real estate developers as high interest rates, inflation, and other market forces continue to impact project budgets.

[1] *Real Estate Development Marketing Act*, [SBC 2004](#), c 41.

[2] British Columbia Financial Services Authority, [“Advisory”](#) (10 July, 2024).

[3] British Columbia Financial Services Authority, [“Summary of Consultation Feedback”](#) (July 2024).

[4] British Columbia Financial Services Authority, [“Advisory”](#) (9 August, 2023).

[5] British Columbia Financial Services Authority, "[Real Estate Developer Fees](#)" (2024).

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A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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