



nova scotia real estate
COMMISSION
Annual Report 2025

Annual General Meeting

Zoom Webinar

April 30, 2026

10:00 AM - 12:00 PM

Agenda

1. Call to Order—Logan Morse
2. Introduction—Logan Morse
3. Chairperson’s Report—Logan Morse
4. Licensing Committee—Sandi Lee
5. Commercial Committee—Aaron Ferguson
6. Discipline Committee—Ryan Hartlen
7. Forms Committee—Anne Da Silva
8. Education Committee—David Woo & Joanne Bouley
9. Complaints Review Committee—Logan Morse
10. Finance Committee—Logan Morse
11. Election Results
12. Open Forum
13. Adjournment

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Budget 2026

Board of Directors

				
Aaron Millen Turning Point Real Estate Limited	Logan Morse Royal LePage Atlantic	Anne Da Silva Keller Williams Select Realty	Aaron Ferguson Colliers International (Nova Scotia) Inc.	David Woo Public Member
				
Joanne Bouley RE/MAX Fairlane Realty	Tunde Awoyiga Public Member	Ryan Hartlen RE/MAX Nova	Robert Faulkner Public Member	Sandi Lee Century 21 Trident Realty Ltd.

Term	Name	Appointment	Location	Attendance
April 2028	Sandi Lee	NSAR	HRM	4/4
April 2026	Aaron Millen	NSAR	New Glasgow	3/5
April 2027	Anne Da Silva	NSAR	HRM	4/5
April 2028	Logan Morse	Elected	New Minas	4/4
April 2026	Joanne Bouley	Elected	Truro	5/5
April 2027	Ryan Hartlen	Elected	HRM	5/5
April 2027	Aaron Ferguson	Commercial	HRM	5/5
March 2029	David Woo	Public	HRM	3/3
December 2026	Tunde Awoyiga	Public	HRM	3/5
October 2026	Robert Faulkner	Public	Amherst	5/5

*The attendance record of the Board of Directors serving on the Nova Scotia Real Estate Commission between January 1, 2025 and December 31, 2025. There were a total of five Commission meetings held.

Message from the Chair

As Chair of the Nova Scotia Real Estate Commission Board of Directors, I am pleased to reflect on another productive year as the Commission continued its work to protect the public interest and support a professional, accountable, and trusted real estate industry in Nova Scotia. The Commission's mandate of regulating the industry in the public interest remains central to everything we do, and the progress achieved over the past year reflects the continued commitment of the Board, staff, and industry volunteers to maintaining high standards of professionalism and consumer protection.

Throughout the year, the Board remained focused on ensuring that the Commission's regulatory framework and governance practices continue to evolve alongside the real estate industry. By working closely with Commission staff and committees, the Board supported a number of initiatives aimed at strengthening regulatory oversight, supporting licensees in meeting their professional obligations, and maintaining public confidence in the industry.

One important initiative undertaken this year was the engagement of an independent cybersecurity expert to conduct a comprehensive cybersecurity audit of the Commission's systems and processes. A cybersecurity audit examines an organization's security infrastructure, policies, and practices to identify potential vulnerabilities before they can be exploited. This proactive review represents an important step in strengthening the Commission's safeguards and ensuring the security of the information entrusted to us.

The Commission also remains committed to responsible financial stewardship. As a result of the Commission's strong financial position and healthy reserve levels, the Board approved a \$50 reduction in salesperson licence renewal fees effective in 2025. In addition, the Board approved a further \$50 reduction in renewal fees for associate broker and managing associate broker licences beginning in 2026.

These achievements are made possible through the dedication of Commission staff, committee members, and industry volunteers who generously contribute their time and expertise to the Commission's work.



On behalf of the Board of Directors, I extend my sincere appreciation to Commission staff, committee members, and licensees across the province for their continued commitment to protecting consumers and maintaining a strong and professional real estate industry in Nova Scotia.

Logan Morse, Acting Chair

Message from the Executive Director & Registrar

2025 saw the completion of the NSREC By-law revision project. This was a multi-year undertaking that overhauled the existing by-law, much of which had been in effect since 1997. The new By-law is broader in scope and detail for ease of practice and comprehension.

The online salesperson licensing exam platform launched in 2025. This required much consultation and training to produce the exams and to operate and maintain the web-based platform used by the students to write the exam. The secure platform includes real time proctoring service as well as technical support for exam writers. 180 online exams were successfully written in 2025.

During the first half of 2025 the NSREC engaged accounting firm Baker Tilly to assist with brokerage trust account audits. Although this proved to be a very successful undertaking, Baker Tilly was unfortunately not able to continue it by mid year due to scheduling and staffing restraints. That aside, the new procedures implemented, including the use of SharePoint, for the purpose of brokers submitting transaction and trust account records has been well received by brokers.

In the summer of 2025, the NSREC entered into negotiations to extend its office lease beyond the original ten-year agreement. A lease extension agreement was reached and will take effect May 2026 for another ten-year lease period.

NSREC retained a cyber security consultant to review our operations. Staff will be working through the consultant's report over the next year to determine any necessary operational or policy changes.

Work began on the new Broker Licensing Course in 2025 and will continue into 2026. This project is being carried out by the NSREC in coordination with the Nova Scotia Association of Realtors' Education Department.

As always, I want to thank and recognize the Commission staff for their dedication and hard work this past year.

Thank you to the Board of Directors for your thoughtful support and consideration.



Brad Chisholm, Executive Director & Registrar

Report from the Licensing Committee

The Licensing Committee is responsible for setting entrance standards for the industry that promote professionalism, ethical conduct, and integrity.

The committee serves as an independent review panel to hear appeals of the Registrar’s decision to deny a licensing application. The committee makes recommendations to the Board of Directors on licensing issues. The committee is also tasked with ensuring the Commission’s licensing processes are fair and transparent.

In 2025, licensing activity increased, with 240 new salespeople entering the industry, and 8 new associate brokers and 16 new brokers/managing associate brokers licences issued. There were zero licensing hearings this year.

I would like to express my gratitude to our dedicated Committee members for their service, insight, and expertise, and to our staff for their continued support.

Sandi Lee, Committee Chair



New applicants	2022	2023	2024	2025
Brokers/MABs	30	20	7	16
Associate brokers	21	11	11	8
Salespeople	303	244	212	240
Industry totals	2022	2023	2024	2025
Brokerages	160	160	157	154
Licensees	2,194	2,242	2,275	2,338
Brokers	160	160	157	154
MABs	69	71	77	87
Associate brokers	112	110	110	107
Salespeople	1,853	1,901	1,931	1,990
Approved sales corps.	366	397	430	445

Committee Members
Sandi Lee, Chair, Salesperson, HRM
Denise MacDonell, Managing Associate Broker, Halifax
Lyanne Cantin, Salesperson, Dartmouth
Dikshat Chawla, Salesperson, Sydney
Lorena MacDonald, Broker, Halifax
Chris Joudrey, Salesperson, Truro
Briana O’Grady, Lawyer, Upper Tantallon

Report from the Commercial Committee

The Commercial Committee's role is to address matters of interest to commercial real estate licensees. The committee is chaired by the commercial appointee on the Board of Directors.

The commercial committee met in 2025 to discuss and be proactive on matters concerning the commercial community. With an increasing number of licensees practicing the trading of commercial real estate, we are being proactive to ensure additional education related to commercial transactions are incorporated into CPE courses. I encourage commercial practitioners to send any concerns or issues they may have to myself, the members of the Commercial Committee, or to the Commission for consideration.

Thank you to the Board of Directors and members of the Commercial Committee for your service and dedication, and to the staff for your continued support.

Aaron Ferguson, Committee Chair



Committee Members

Aaron Ferguson, Chair, Salesperson, HRM
 Tom Carpenter, Associate Broker, Halifax
 Bev Sweetman, Broker, Hammonds Plains
 Donald Tabor, Salesperson, Dartmouth
 Darlene Bennett, Associate Broker, Martin's River
 Ann Swinamer, Salesperson, Dartmouth
 James Collins, Broker, Bedford

Report from the Discipline Committee

In 2025, the Discipline Committee had no formal discipline hearings as all matters had been resolved without the need for a formal hearing.

The Discipline Committee as a whole does not meet together, other than for training purposes. The Committee members serve to form a roster for hearing panels in the event of a discipline hearing referred by the Registrar.

The Discipline Committee's role is to hold discipline hearings and render decisions about alleged infractions of licensees, including unprofessional conduct, and breaches of the Real Estate Trading Act, the Regulations and the By-law.

Thank you to the Discipline Committee members for their willingness to serve on this committee.

Ryan Hartlen, Committee Chair



Committee Members

- Ryan Hartlen, Chair, Broker, HRM
- Brennan LeJean, Lawyer, Dartmouth
- Kristin Pike, Lawyer, Halifax
- Corrine Zinck, Salesperson, Timberlea
- Jatender Sachdev, Managing Associate Broker, Bedford
- Dawn Candelora, Associate Broker, Dartmouth
- Tunde Awoyiga, Public Member, HRM
- Charlene Meister, Salesperson, Aylesford
- Patricia Roberts, Salesperson, Dartmouth

Report from the Forms Committee

Over the past year, the Forms Committee focused on a comprehensive review of all forms launched in 2024. Guided by the principle that consumer protection is an evolving responsibility, the Committee works to ensure that our documentation reflects the current realities of real estate trading while remaining clear and accessible for both consumers and licensees.

Through this rigorous process, the Committee presented several updates to the Board for approval. For example, these refinements standardized terminology across the library, eliminated unnecessary duplication, and streamlined wordy sections to improve readability, as well as other important updates. Following this review, the Committee began a detailed overhaul of the Clause Book. This vital resource for licensees is slated for completion and release during the upcoming term.

The Committee's work is greatly informed by licensee feedback. All suggestions are carefully reviewed and discussed, and we sincerely thank everyone who shared their insights; your participation is vital to the Committee's work. Finally, I would like to express my gratitude to our dedicated Committee members for their engagement and passion, always ensuring that the Commission's mandate to protect the public is upheld. On behalf of myself as Chair, but also for the entire Committee and licensees, I would like to thank the Commission staff for their tireless support in advancing this essential work.

Anne Da Silva, Committee Chair



Committee Members

Anne Da Silva, Chair, Broker, HRM
 Robert Faulkner, Public Member, Amherst
 Jennifer Chaisson, Lawyer, Dartmouth
 Ryan Hartlen, Broker, HRM
 Brennan LeJean, Lawyer, Dartmouth

Report from the Education Committee

The Education Committee's mandate is to identify issues and opportunities relating to the development and delivery of real estate licensing and continuing professional education for recommendations to the Board of Directors.

In 2025, the Education Committee met to determine the subject matter for the 2025-2026 Salesperson as well as the Broker Level CPE mandatory courses:

Salesperson CPE Mandatory Course: Topics were recommended by licensees during the license renewal survey with additional content suggested by the NSAR Education Department. The discussions led to the development of the course, Professionalism Sells: Building Trust and Credibility. This was piloted by this Committee, NSREC and NSAR in October 2025 and launched to all licensees on November 3rd. The course focusses on the soft skills of communications and professionalism on Relationships with Consumers, Relationships with Peers, and Procedures & Etiquette for showing properties.

Broker CPE Mandatory Course: The Education Committee identified and prioritized seven Commission Disciplinary Cases/N.S. Court Cases. These were recommended by the Board of Directors for NSAR to develop into Case Studies. The course: Keeping it on the Rails was piloted by the Committee in January 2026 with the launch planned later in the year. The content supports Brokers in overseeing staff and real estate transactions, to help prevent errors by focussing on Brokerage Training of Licensees, Brokerage Policies and Procedures, and Broker File Review.

The Education Committee also discussed a requirement that individuals registering for the Salesperson Licensing Course (SLC) would need to complete an English language proficiency test before enrolling. This prerequisite helps students to be set up for success before registering and incurring the expense of the SLC. This would benefit both the prospective licensee and the consumer.

This led to the Board supporting the NSAR recommended use of the Canadian English Language Proficiency Index Program (CELPIP) General Test which evaluates English listening, reading, writing, and speaking skills. It is officially designated for permanent residence applications by Immigration, Refugees and Citizenship



Committee Members

David Woo, Co-chair, Public Member, HRM
 Joanne Bouley, Co-chair, Managing Associate Broker, Truro,
 Tanya Ozard, Broker, Bedford
 Krista Rose, Managing Associate Broker, North Sydney
 Jodi Daniels, Associate Broker, Mill Section
 Roger Dort, Salesperson, Coldbrook

Canada. This requirement was implemented in the Fall of 2025.

The Education Committee had reviewed the existing ~ 20 year old Broker Licensing Course (BLC) to provide recommendations for changes. The 2 ½ year collaboration between NSAR and NSREC began in December 2024 with input by the Committee and the Board.

Phase 2 started in January 2025 with a review of current BLC content; NSREC By-Law; NSREC policies; existing NSAR resources. Phase 3 started in Spring 2025 which encompasses work on textbook units with feedback from NSREC during the process.

I want to thank the new and returning members of the NSREC Education Committee and the staff for their dedication and service this past year.

David Woo & Joanne Bouley, Committee Co-chairs

Report from the Complaints Review Committee

The Complaints Review Committee (CRC) plays an important role in the Commission's complaints and disciplinary process by providing independent oversight of the Registrar's decisions regarding complaints received by the Commission.

The Committee is comprised of both licensee and public members who review the Registrar's decisions relating to complaints, including proposed settlement agreements, decisions of no charges, and dismissed complaints. During CRC meetings, the Compliance Investigator presents the facts of each case, along with the evidence gathered during the investigation and the Registrar's decision.

In 2025, the CRC reviewed and investigated a total of 17 cases. This represents the lowest number of matters reviewed by the Committee since 2020. Of these cases, none were referred to the Discipline Committee for a formal hearing. This reflects the effectiveness of the Commission's compliance and investigative processes, as well as the ongoing efforts of brokers and licensees to address concerns early when issues arise.

The Commission's compliance team continues to receive numerous inquiries each year from both consumers and licensees regarding trade practices and professional standards. In many instances, concerns can be resolved through early engagement with brokers and licensees before escalating into formal complaints. However, where potential breaches of the Real Estate Trading Act or the Commission's by-laws are identified, formal investigations are undertaken to ensure the public interest is protected.

The Complaints Review Committee remains an important safeguard within the Commission's regulatory framework. I would like to thank the members of the Committee and the Commission's compliance staff for their professionalism, diligence, and commitment to maintaining high standards of conduct within the real estate industry.

Logan Morse, Committee Chair



Committee Members

Logan Morse, Chair, Managing Associate Broker, New Minas

Cher Digdon, Salesperson, Halifax

David Melvin, Lawyer, Halifax

Justin Adams, Lawyer, Halifax

Jill Hann, Associate Broker, Herring Cove

Manpreet Dhiman, Salesperson, Bedford

Jennifer Kyte-MacDonald, Managing Associate Broker, Sydney

Report from the Finance Committee

The Finance Committee is responsible for providing financial oversight and advice to the Board of Directors regarding the Commission's financial management, budgeting, and long-term financial sustainability.

Throughout the past year, the Committee worked closely with Commission staff to monitor financial performance, review revenues and expenditures, and ensure the Commission remains in a strong financial position to carry out its regulatory mandate.

For 2025, revenue was \$1,719,982.

Total expenses \$1,484,563.

The Commission continues to maintain a strong financial position supported by stable licensing revenues and interest income generated from brokerage trust accounts. As a result of this financial health and the Commission's strong reserve position, the Finance Committee recommended, and the Board of Directors approved, a \$50 reduction in salesperson licence renewal fees effective in 2025.

In addition, the Committee recommended that renewal fees for associate broker and managing associate broker licences be reduced by \$50 beginning in 2026. These reductions reflect the Commission's commitment to responsible financial management while ensuring the organization maintains sufficient resources to carry out its regulatory responsibilities.

The Committee also continues to review financial policies and practices to ensure strong financial controls and long-term sustainability. Maintaining a prudent reserve position allows the Commission to respond to emerging regulatory needs, invest in compliance initiatives, and support programs that strengthen consumer protection and professional standards.

I would like to thank the members of the Finance Committee and Commission staff for their continued diligence and thoughtful oversight of the Commission's financial operations.

Logan Morse, Committee Chair



Committee Members

Logan Morse, Chair, Managing Associate Broker, New Minas

Aaron Millen, Broker, New Glasgow

David Woo, Public Member, HRM

Aaron Ferguson, Salesperson, HRM

Recovery Fund

The Real Estate Recovery Fund (the Fund) is established by the Real Estate Trading Act and administered by the Commission.

The Fund exists to compensate consumers for losses resulting from fraud or breach of trust by a licensee.

The Fund exceeds the \$600,000 minimum required under the Commission By-law and there have been no claims on the Fund to date. The Finance Committee oversee the monetary aspects of the Recovery Fund, including investment decisions.

Per the 2022 changes to By-law Part 5—Recovery Fund, the Discipline Committee and the Board of Directors are responsible for carrying out any orders regarding the Fund.

From an investment perspective, the fund remained consistent to its conservative mandate. This was strategic to start 2025 with Tariff and Geopolitical uncertainty. As the year progressed small pockets of growth opportunity presented itself as recession worries subsided. This also coincided with interest rates beginning to reduce fixed income yields causing certain strategies to become less attractive.

Market implications and growth in 2026 will be influenced by multiple events namely shifting monetary policy expectations, escalating trade tensions and geopolitical conflict. Though market fundamentals remain relatively strong there is no shortage of headline-driven volatility. These periods of time reinforce the importance of disciplined portfolio construction and a focus on long-term investment objectives. Currently the strategic asset mix has remained consistent in its positioning from 2024 and is at 75% Fixed income and 25% Equity.

In 2025, the fund had a 5.09% net investment return and an ending market value Dec 31st 2025 of \$980,247.

From a currency perspective, 76% of the fund is denominated in Canadian dollars and 24% in United States dollars. There were no claims against the fund in 2025 and no income was distributed from the fund.

Audits and Investigations

Audits

In total, 172 audits were conducted in 2025. The number of trust audits and brokerage audits conducted are shown below.

F1 indicates that the broker submitted a Form 1— Real Estate Brokerage’s Representations to the NSREC of the brokerage’s trust and trading activity.

F2 indicates that the broker submitted a Form 2— Declaration Respecting Absence of Trust Funds.

F3 indicates that the broker submitted a Form 3— Declaration Respecting Absence of Trust and Transaction Files.

Trust and brokerage audits educate brokerages to understand and comply with the standards and procedures for trust accounts and transaction-file record keeping, which in turn protects the best interests of the public.

Investigations

Origin of 2025 investigations	
Total cases	17
Public	14
Registrar	3
Investigation status summary	
Outstanding investigations January 1, 2025	10
New cases initiated	17
Complete (investigated and presented to the Complaints Review Committee)	19
Outstanding as of December 31, 2025	8
Referred to Complaints Appeal Sub-committee	1
Referred to hearing	0
Hearings	0
Disciplinary licence suspensions	0
Licence cancellations	0

Audits Conducted in 2025

Form 1 - 115 Audits	Form 2 - 32 Audits	Form 3 - 25 Audits
28 Brokerage Audits	6 Brokerage Audits	10 Brokerage Audits
47 Trust Audits	10 Trust Audits	4 Trust Audits
33 New Broker Brokerage Audits	13 New Broker Brokerage Audits	7 New Broker Brokerage Audits
1 Change-Of-Broker Brokerage Audits	1 Change-Of-Broker Brokerage Audits	0 Change-Of-Broker Brokerage Audits
3 Change-Of-Broker Trust Audits	1 Change-Of-Broker Trust Audits	0 Change-Of-Broker Trust Audits
2 Closing Brokerage Audits	0 Closing Brokerage Audits	3 Closing Brokerage Audits
1 Closing Trust Audits	1 Closing Trust Audits	1 Closing Trust Audits

NOVA SCOTIA REAL ESTATE COMMISSION
FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOVA SCOTIA REAL ESTATE COMMISSION
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DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Nova Scotia Real Estate Commission

Opinion

We have audited the financial statements of **Nova Scotia Real Estate Commission** ("the Commission"), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Baker Tilly Nova Scotia is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All Members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dartmouth, Nova Scotia
March 30, 2026



Chartered Professional Accountants

**NOVA SCOTIA REAL ESTATE COMMISSION
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024
	\$	\$
REVENUES		
<i>Recovery Fund</i>		
Investment income	42,083	43,854
Assessment income	27,200	24,700
Gain on investments	13,308	41,582
	<u>82,591</u>	<u>110,136</u>
<i>General Fund</i>		
Licensing fees	1,275,219	1,301,863
Investment income	209,571	357,074
Reinstatement of license	47,510	59,805
Exam fees	42,900	41,000
Lapsed brokerage deposits	24,500	22,108
Other fees	20,401	8,700
Fines and penalties	10,250	23,950
Amortization of tenant inducement (Note 7)	7,040	7,040
	<u>1,637,391</u>	<u>1,821,540</u>
	<u>1,719,982</u>	<u>1,931,676</u>
EXPENSES		
Advertising	-	736
AGM	2,190	2,211
Amortization of capital assets	22,191	16,754
Bad debts	-	7,504
Bank service charges	40,080	46,373
Computer maintenance	3,216	1,365
Conferences	21,638	21,168
Directors and committee member fees	30,650	31,205
Dues and fees	13,830	17,563
Focus groups and task forces	9,677	24,406
Insurance	3,456	2,587
Internet hosting fees	6,350	4,094
Investment broker fees	8,542	7,949
Office	17,308	21,515
Printing	6,738	6,288
Professional fees	141,888	91,522
Rent, cleaning and utilities	69,965	77,951
Repairs and maintenance	542	977
Salary and employee benefits	1,032,408	945,975
SPL and BL exams	17,863	36,638
Staff travel and training	2,817	2,136
Strategic planning	2,854	1,096
Telecommunications	14,314	13,930
Travel and meetings	16,046	12,037
	<u>1,484,563</u>	<u>1,393,980</u>
EXCESS OF REVENUES OVER EXPENSES	<u>235,419</u>	<u>537,696</u>

**NOVA SCOTIA REAL ESTATE COMMISSION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	General Fund \$	Capital & Intangible Assets Fund \$	Recovery Fund (Note 10) \$	Reserve Fund \$	Total 2025 \$	Total 2024 \$
BALANCE - <i>beginning of year</i>	1,295,148	36,652	961,010	720,000	3,012,810	2,475,114
Excess (deficiency) of revenues over expenses	176,521	(15,151)	74,049	-	235,419	537,696
Investment in capital assets	<u>(15,108)</u>	<u>15,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
BALANCE - <i>end of year</i>	<u><u>1,456,561</u></u>	<u><u>36,609</u></u>	<u><u>1,035,059</u></u>	<u><u>720,000</u></u>	<u><u>3,248,229</u></u>	<u><u>3,012,810</u></u>

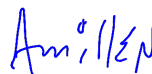
NOVA SCOTIA REAL ESTATE COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	2025	2024
	\$	\$
ASSETS		
CURRENT		
Cash	622,833	621,821
Investments	507,042	504,435
Prepays	<u>27,179</u>	<u>24,612</u>
	1,157,054	1,150,868
RESTRICTED CASH (Notes 8 and 10)	277,908	211,238
INVESTMENTS (Notes 3 and 10)	2,664,317	2,514,561
CAPITAL ASSETS (Note 4)	<u>38,956</u>	<u>46,039</u>
	<u><u>4,138,235</u></u>	<u><u>3,922,706</u></u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	109,430	125,586
Deferred revenue (Note 6)	777,161	770,655
Current portion of deferred lease incentives	<u>3,415</u>	<u>10,240</u>
	890,006	906,481
DEFERRED LEASE INCENTIVES (Note 7)	<u>-</u>	<u>3,415</u>
	<u>890,006</u>	<u>909,896</u>
NET ASSETS		
GENERAL FUND	1,456,561	1,295,148
CAPITAL & INTANGIBLE ASSETS FUND	36,609	36,652
RECOVERY FUND (Note 10)	1,035,059	961,010
RESERVE FUND	<u>720,000</u>	<u>720,000</u>
	<u>3,248,229</u>	<u>3,012,810</u>
	<u><u>4,138,235</u></u>	<u><u>3,922,706</u></u>
COMMITMENTS (Note 9)		

Approved by the Board



Director



Director

**NOVA SCOTIA REAL ESTATE COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024
	\$	\$
CASH (USED FOR) PROVIDED BY:		
OPERATING		
Excess of revenues over expenses	235,419	537,696
Items not affecting cash		
Gain on investments	(13,308)	(41,582)
Amortization of capital assets	22,191	16,754
Amortization of deferred lease incentives (Note 7)	(10,240)	(10,239)
	<u>234,062</u>	<u>502,629</u>
Changes in non-cash working capital items		
Accounts receivable	-	7,854
Prepays	(2,567)	(24,159)
Accounts payable and accrued liabilities	(16,156)	(50,306)
Deferred revenue	6,506	(50,927)
	<u>221,845</u>	<u>385,091</u>
INVESTING		
Acquisition of investments	(643,490)	(2,118,764)
Proceeds on disposal of investments	504,435	990,558
Acquisition of capital assets	(15,108)	(25,316)
	<u>(154,163)</u>	<u>(1,153,522)</u>
CHANGE IN CASH	67,682	(768,431)
CASH - beginning of year	833,059	1,601,490
CASH - end of year	<u>900,741</u>	<u>833,059</u>
CASH CONSISTS OF:		
Cash	622,833	621,821
Restricted cash (Note 10)	277,908	211,238
	<u>900,741</u>	<u>833,059</u>

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

1. OPERATIONS

Nova Scotia Real Estate Commission ("the Commission") was established by the Province of Nova Scotia Bill No. 31 assented to December 20, 1996. Bill 31 is an Act to Provide for Regulation of Trading in Real Estate in Nova Scotia.

The Commission is a not-for-profit organization under the meaning assigned in Section 149.1(1) of the Income Tax Act, and, as such, is exempt from income taxes. Accordingly, no provision has been made in the accounts for income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Net asset funds

General Fund

The General Fund is used for the Commission's day-to-day ongoing activities, including service delivery and administration.

Capital & Intangible Assets Fund

The Capital & Intangible Assets Fund reports the assets, liabilities, revenues and expenses related to capital and intangible assets. Amounts in the Capital & Intangible Assets Fund are internally restricted.

Recovery Fund

The Recovery Fund reports the assets, liabilities, revenues and expenses of the Nova Scotia Real Estate Recovery Fund, which is administered and supervised by the Commission. The purpose of the Fund is to provide a self-insurance fund for licensed members in the Nova Scotia real estate industry within limits outlined in Note 10. Amounts in the Recovery Fund are externally restricted.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net asset funds (Continued)

Internally Restricted Funds

The Reserve Fund was established by the Commission as a contingency fund for future unexpected expenditures. The Strategic Planning Fund was established by the Commission for future strategic planning expenditures. The Exam Development Fund was established by the Commission for future exam development expenditures. As of December 31, 2025 the Strategic Planning Fund and Exam Development Fund had balances of \$NIL and \$NIL respectively (2024 - \$NIL and NIL). Transfers to these Funds are approved by the Board.

Cash

Cash consists of cash on hand and balances held with financial institutions and an investment broker.

Investments

Investments consist of guaranteed investment certificates ("GICs") held to maturity, equities and mutual funds.

Capital assets

Capital assets are recorded at cost less accumulated amortization which is provided for using the following rates and methods over the estimated useful lives as follows:

Computers	25-50%	Diminishing balance
Furniture and equipment	10%	Diminishing balance
Leasehold improvements	Term of lease	Straight line
Software	50%	Diminishing balance

One half year's amortization is taken in the year of acquisition.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment annually. When conditions indicate long-lived asset no longer contributes to the Commission's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost.

Deferred lease incentives

The deferred lease incentive, consisting of a tenant inducement and step rent adjustments, are amortized on a straight-line basis over the term of the lease. Step rent adjustments are credited to rent, cleaning and utilities expense.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Licensing fees and assessment income

Licensing fees and assessment income are recognized in the fiscal year to which they relate, provided that collection is reasonably assured and the price is fixed or determinable. Amounts related to future periods are reported on the Commission's statement of financial position as deferred revenue.

Exam fees, fines and penalties, reinstatement of license and other fees

Revenue is recognized when earned, provided that collection is reasonably assured and the price is fixed or determinable.

Investment income and gain (loss) on investments

Investment transactions are recognized on the transaction date, provided that collection is reasonably assured and the price is fixed or determinable.

Lapsed brokerage deposits

Lapsed brokerage deposits are recognized as revenue when unclaimed brokerage deposits received by the Commission pursuant to Section 32(6A) of the Nova Scotia Real Estate Trading Act exceed six years from the date originally deposited to a brokerage trust account. Funds received in advance of the six years are recognized as deferred revenue.

Foreign currency transactions

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at year end. Foreign currency revenues and expenses are translated at rates in effect during the year. Gains and losses from translation are included in the determination of the excess of revenues over expenses in the year in which they occur.

Cloud computing arrangements

The Commission has elected to use the simplification method for cloud computing arrangements. Under this method, the Commission expenses any expenditures related to the cloud computing arrangement as incurred, including the cost of related implementation services.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as useful lives of capital assets and deferred lease incentives and certain accrued liabilities. Actual results could differ from those estimates.

Financial instruments

Measurement of financial instruments

The Commission initially measures its financial assets and financial liabilities at fair value.

The Commission subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the excess of revenues over expenses.

Financial assets measured at amortized cost include cash, restricted cash and GICs.

Financial assets measured at fair value include equities and mutual funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down is recognized in the excess of revenues over expenses. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of any reversal is recognized in the excess of revenues over expenses.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

3. INVESTMENTS

	2025	2024
	\$	\$
GIC, bearing interest at 4.91% per annum, maturing in May 2026	205,865	205,765
GIC, bearing interest at 3.61% per annum, maturing in November 2026	200,969	200,969
GIC, bearing interest at 3.80% per annum, maturing in December 2026	100,208	100,208
GIC, bearing interest at 4.72% per annum, maturing in May 2027	205,638	205,638
GIC, bearing interest at 4.55% per annum, maturing in June 2027	102,531	102,531
GIC, bearing interest at 3.80% per annum, maturing in September 2027	101,176	101,176
GIC, bearing interest at 3.61% per annum, maturing in November 2027	90,436	90,436
GIC, bearing interest at 3.64% per annum, maturing in November 2027	90,440	90,440
GIC, bearing interest at 3.53% per annum, maturing in June 2028	96,856	-
GIC, bearing interest at 3.68% per annum, maturing in September 2028	101,139	101,139
GIC, bearing interest at 3.82% per annum, maturing in September 2028	101,183	101,183
GIC, bearing interest at 3.15% per annum, maturing in November 2028	200,846	-
GIC, bearing interest at 3.40% per annum, maturing in November 2028	180,604	180,604
GIC, bearing interest at 3.30% per annum, maturing in December 2028	100,145	-
GIC, bearing interest at 3.41% per annum, maturing in December 2028	100,149	-
Matured GICs	-	504,435
Equities	140,727	124,816
Mutual funds	<u>1,052,447</u>	<u>909,656</u>
	3,171,359	3,018,996
Less current portion	<u>(507,042)</u>	<u>(504,435)</u>
	<u>2,664,317</u>	<u>2,514,561</u>

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

4. CAPITAL ASSETS

	Cost	Accumulated amortization	Net 2025	Net 2024
	\$	\$	\$	\$
Computers	73,729	56,275	17,454	22,588
Furniture and equipment	94,310	83,246	11,064	8,698
Leasehold improvements	110,647	106,959	3,688	14,753
Software	68,109	61,359	6,750	-
	<u>346,795</u>	<u>307,839</u>	<u>38,956</u>	<u>46,039</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
	\$	\$
Trade payables	63,523	77,540
Accrued liabilities	47,329	46,783
HST payable (recoverable)	<u>(1,422)</u>	<u>1,263</u>
	<u>109,430</u>	<u>125,586</u>

6. DEFERRED REVENUE

Deferred revenue consists of:

	2025	2024
	\$	\$
Licensing fees	554,492	584,971
Unclaimed brokerage deposits	<u>222,669</u>	<u>185,684</u>
Balance - end of year	<u>777,161</u>	<u>770,655</u>

Changes in deferred revenue are as follows:

	2025	2024
	\$	\$
Balance - beginning of year	770,655	821,581
Amount recognized as revenue	(609,472)	(601,398)
Amounts received related to future periods	615,978	620,472
Amounts returned to third parties	<u>-</u>	<u>(70,000)</u>
Balance - end of year	<u>777,161</u>	<u>770,655</u>

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

7. DEFERRED LEASE INCENTIVES

	Tenant Inducement	Step Rent	2025	2024
	\$	\$	\$	\$
Balance - beginning of year	9,387	4,268	13,655	23,894
Change in step rent accrual	-	(3,200)	(3,200)	(3,199)
Amortization	<u>(7,040)</u>	<u>-</u>	<u>(7,040)</u>	<u>(7,040)</u>
	2,347	1,068	3,415	13,655
Less current portion	<u>(2,347)</u>	<u>(1,068)</u>	<u>(3,415)</u>	<u>(10,240)</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,415</u>

8. RESTRICTED CASH

	2025	2024
	\$	\$
Externally restricted recovery fund cash (Note 10)	55,239	25,554
Internally restricted cash	<u>222,669</u>	<u>185,684</u>
	<u>277,908</u>	<u>211,238</u>

Internally restricted cash represents money received by the Commission pursuant to Section 32(6A) of the Nova Scotia Real Estate Trading Act, whereby unclaimed money remaining in a brokerage trust account for two or more years after the closing or termination of an agreement must be transferred to the Commission in certain circumstances. Pursuant to Section 32(7) of the Act, such funds may be claimed by an entitled party within six years after the funds were deposited to the brokerage trust account. Accordingly, these amounts have been internally restricted by the Board until the expiry of that six-year period.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

9. COMMITMENTS

The Commission entered into an agreement to lease office space with terms expiring April 30, 2036. The Commission also entered into an agreement to lease a photocopier with terms expiring September 30, 2028. Future minimum leasepayments for the next five years are as follows:

	\$
2026	35,055
2027	36,122
2028	37,225
2029	35,200
2030	37,333
Subsequent years	214,400

10. NOVA SCOTIA REAL ESTATE RECOVERY FUND

The Recovery Fund exceeds the required minimum amount of \$600,000 in cash and investments, and no longer carries insurance for indemnification purposes. Under the regulations, the maximum amount that may be paid from the Recovery Fund is:

- (a) \$35,000 for a single real estate transaction;
- (b) \$350,000 aggregate limit for multiple claims against a licensee.

11. FINANCIAL INSTRUMENTS

Risk and concentrations

The Commission is exposed to various risks through its financial instruments. The following analysis provides a measure of the Commission's risk exposure and concentrations at December 31, 2025. It is management's opinion that the Commission is not exposed to significant interest rate risk from its financial instruments. The risks arising on financial instruments are limited to the following:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Commission to concentrations of credit risk consist of cash, restricted cash and investments. The Commission deposits its financial assets in reputable financial institutions with banks and investment brokers and therefore believes the risk of loss to be remote.

**NOVA SCOTIA REAL ESTATE COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

11. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Commission generates sufficient cash flow from operating activities to fund operations and fulfill obligations as they become due.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Commission is mainly exposed to currency risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at December 31, 2025, investments of \$223,346 (2024 - \$218,184) are transacted in US dollars and converted into Canadian dollars. The Commission has not entered into foreign exchange contracts to hedge this risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Commission is exposed to this risk from its equities and mutual funds.

12. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform with the financial statement presentation adopted for the current year.

Budget 2026

Recovery Fund	Assessment income	22,000
	Investment (loss) income	25,000
	Unrealized gain (loss) on investments	0
		47,000
<hr/>		
General Fund		
	Licensing fees	1,286,840
	Examination fees	38,000
	Fines and penalties	15,000
	Reinstatement fees	50,000
	Hearing and investigation recoveries	0
	Other	10,000
	Lapsed trust funds	39,500
	Investment income	160,000
		1,646,340
<hr/>		
Expenses	Advertising	5,000
	AGM	3,000
	Amortization	10,000
	Bad debts	0
	Bank fees	45,000
	Conferences and training	37,000
	Consultant/contractor fees	52,000
	Director/committee fees	40,100
	Hearing and investigation costs	0
	Insurance	4,100
	Public awareness	5,000
	Miscellaneous	9,000
	Office expenses	35,900
	Professional fees	67,000
	Rent	83,000
	Salaries	1,093,500
	Exams	25,000
	Staff Travel	500
	Telecommunications	16,000
	Board/committee travel	18,000
	Hosting fees	23,000
	Investment fees	8,000
	Hardware/software	7,000
	Tech support	8,000
		1,595,100
<hr/>		
Excess of revenue over expenses		51,240

Question? Contact us

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