



December 18, 2025

To all real estate brokers and property management managers
Under *The Real Estate Services Act*

Province of Manitoba

Re: Providing Property Management Services under *The Real Estate Services Act*

Introduction

This practice directive sets out the principles applied by staff of the Manitoba Financial Services Agency ("MFSA") in determining whether registration is required for individuals to provide property management services with a registered property management brokerage under *The Real Estate Services Act* (Act). This directive provides general guidance on this question and the determination as to whether registration is required in a specific case will depend on the facts of the situation.

Background

Section 3 of the Act requires persons who provide real estate services to be registered. In turn, the definition of real estate services under Section 1 includes property management services which are defined as meaning the following services that are provided to or on behalf of the owner of real estate:

- (a) collecting rents or security deposits under a lease agreement;
- (b) collecting mortgage payments or contributions for the control, management or administration of the real estate;
- (c) maintaining financial and rent records under a lease agreement;
- (d) promoting or showing the real estate to prospective tenants or lessees;
- (e) negotiating rental or lease agreements in respect of the real estate;
- (f) another service in respect of the management of real estate that is prescribed by the regulations.

Subsection 1(2) of the *Real Estate Services Regulation* expands the meaning of property management services to include:

- (a) negotiating, or offering to attempt to negotiate, a rental or lease agreement;
- (b) managing on-going owner or tenant issues.

Application of the Registration Requirement for Property Management Services

The definition of property management services is broad and can be interpreted as requiring registration for any individual involved *in any way* in providing them. In the view of MFSA staff,

an overly broad application of registration requirements is not consistent with the Act's purpose to provide public protection and could result in unnecessary burden without a corresponding benefit to the public. For this reason, when considering who requires registration under the Act MFSA staff make a distinction between individuals who have the authority to act, and make decisions, on the behalf of the registered property management brokerage and property owner and those who are acting in a purely administrative capacity under the supervision of a registered person.

While each situation must be determined based on its own facts, the following sets out some general guidance as to the way MFSA staff approach the registration requirements in the Act and Regulation as they apply to individuals providing property management services:

- *collecting rents and security deposits*- MFSA staff would not insist that individuals who only have the authority to receive these payments be registered under the Act. On the other hand, if an individual has been given any authority by the registered brokerage to negotiate rents or lease payments or payment schedules, agree to reductions in rent or security deposits or to renegotiate the amounts payable under an agreement or lease, MFSA staff would expect that individual to be registered.
- *collecting mortgage payments or contributions*- the principles set out in the previous item would apply equally here, an individual who only has the authority to receive these payments or contributions but no ability to alter the terms of agreements related to those payments or renegotiate any terms would generally not require registration in the view of MFSA staff. In addition, an individual who has direction or control over trust money, for example an individual who may authorize disbursements without prior approval of a property owner, must be registered.
- *maintaining financial records*- MFSA staff would not require individuals involved in maintaining the books and financial records of a brokerage in an administrative or clerical capacity to be registered. Staff would expect the individual or individuals involved in certifying the correctness of any financial reporting of the brokerage, including any required reporting filed with the MFSA, or anyone acting in the capacity of, or similar to, a Chief Financial Officer, to be registered
- *promoting or showing real estate*- An individual who shows real estate to potential tenants or lessees and is only authorized to show the property and provide prepared information would not require registration. On the other hand, if the individual has the authority to make representations about the property on behalf of the brokerage or property owner, for example about potential upgrades to the property, then the individual would require registration.
- *negotiating or attempting to negotiate a lease agreement*- MFSA staff's view is that an individual who has any authority to negotiate any terms of a lease on behalf of the brokerage or property owner, including items such as length of the lease, rent payable under it, rights of renewal and leased area must be registered. The registration requirement would also apply to an individual who has any authority to interpret or explain the terms of a lease to a tenant or lessee. If an individual has no such authority and instead is only authorized to provide a potential tenant with a standard form of lease that the property management brokerage uses, with no ability to negotiate or explain the

terms of the lease other than filling in the relevant details (name, lease term, leased unit) on an administrative basis, MFSA staff would not require the individual to be registered

- *managing ongoing owner or tenant issues*- MFSA staff's view is that representatives of a property management brokerage who have the authority to negotiate or resolve tenant issues or make commitments on the part of the brokerage or the owner of the property are required to be registered. This would include items such as representing property owners in official proceedings or having the authority to negotiate and enter into a contract on behalf of an owner. On the other hand, an individual such as an on site manager who is able to address tenant issues that are client service related may not be required to be registered depending on the nature of the issue and what is required to address it. For example, a caretaker who is contacted by a tenant to resolve a problem such as a blocked drain and arranges for a plumber to fix it, would not, in the view of MFSA staff, require registration, since the action is essentially administrative. The conclusion would likely be different if the caretaker had the authority to make commitments on behalf of the property manager or owners, such as agreeing to perform more significant repairs to the unit

MFSA staff emphasize that while it may be clear in many situations as to whether registration is required, in others it may be less so. The key to this analysis is the scope of responsibility given by the property management brokerage to the individual in a specific case.

The registration categories and associated registration requirements for individuals who provide property management services on behalf of a property management brokerage are set out on the MFSA's website, themsfa.ca, in the How to Register section found under the Registration tab.



Keith Schinkel
Registrar
The Real Estate Services Act