

IN THE MATTER OF
THE REAL ESTATE SERVICES ACT, S.B.C. 2004 C. 42
and
VICTORY PROPERTIES LTD.
and
VICTORY PROPERTIES LTD. dba PENT4RENT
and
EARL ANTHONY DALE DOBRICH
and
KAREN LOUISE DOBRICH

ORDERS UNDER SECTIONS 51 AND 49 OF
THE REAL ESTATE SERVICES ACT

UPON REVIEWING the submissions and exhibits contained in the Investigation Report prepared by the staff of the Superintendent of Real Estate, I am of the opinion that:

1. On April 3, 2008, the office of the Superintendent of Real Estate ("Superintendent") received a complaint alleging that persons operating www.pent4rent.com were conducting unlicensed property management activities in the Penticton area contrary to the *Real Estate Services Act* ("the Act").

2. Section 1 of the Act provides the following definitions:

"real estate services" means

- (a) rental property management services,
- (b) strata management services, or
- (c) trading services.

"real estate" means

- (a) real property,
- (b) regardless of whether it is or is not an interest in real property, a cooperative interest, shared interest in land or time share interest, as these are defined in the Real Estate Development Marketing Act, and
- (c) a right in relation to real property that is defined by regulation to be real estate,

but does not include a right in relation to real property that is excluded by regulation.

"rental property management services" means any of the following services provided to or on behalf of an owner of rental real estate:

- (a) trading services in relation to the rental of the real estate;
- (b) collecting rents or security deposits for the use of the real estate;
- (c) managing the real estate on behalf of the owner by
 - (i) making payments to third parties,
 - (ii) negotiating or entering into contracts,
 - (iii) supervising employees or contractors hired or engaged by the owner, or
 - (iv) managing landlord and tenant matters

but does not include an activity excluded by regulation.

3. Section 3(1) of the Act provides:

3(1) A person must not provide real estate services to or on behalf of another, for or in expectation of remuneration, unless the person is

(a) licensed under this Part to provide those real estate services, or

(b) exempted by the regulations from the requirement to be licensed under this Part in relation to the provision of those real estate services.

4. Section 48(1)(a) of the Act provides:

48(1) The superintendent may conduct an investigation to determine whether

(a) a person who does not hold a licence has engaged in any activity for which a licence under this Act is required.

5. Neither www.pent4rent.com nor Pent4Rent are BC registered companies.

6. The website www.pent4rent.com advertises the services of a business entitled Pent4Rent which is located at #10 – 614 Winnipeg Street, Penticton, British Columbia, V2A 5M9.

7. The domain www.pent4rent.com is registered to Victory! Properties, with K. Dobrich as the contact person, [REDACTED], Penticton, British Columbia, V2A 3S4, email kdobrich@telus.net.

8. Victory Properties Ltd. ("Victory Properties") is a British Columbia incorporated company under incorporation #BC0811127, and was incorporated on December 13, 2007.

9. Victory Properties has a registered and records office located at #203 – 383 Ellis Street, Penticton, British Columbia, V2A 4L9. At the time of incorporation the company had only two directors:

- (a) Earl Anthony Dale Dobrich, ("E. Dobrich") [REDACTED], Penticton, British Columbia, V2A 3S4; and

- (b) Karen Louise Dobrich, ("K. Dobrich") [REDACTED], Penticton, British Columbia, V2A 3S4.
10. I find that Victory Properties is doing business as Pent4Rent and operates the website www.pent4rent.com.
11. Neither Victory Properties, Pent4Rent, E. Dobrich, nor K. Dobrich are licensed pursuant to the *Real Estate Services Act*.
12. E. Dobrich and K. Dobrich both reside at [REDACTED], Penticton, British Columbia, V2A 3S4.
13. The Pent4Rent website www.pent4rent.com, represents:
- Pent4Rent offers quality current and upcoming rental listings and FISBOS in the Peach City of Penticton, B.C.
- Contact us: Lani or Karen @ 492-3355
#10 - 614 Winnipeg Street, Penticton, B.C.
V2A 5M9.
14. The website also has a number of links to descriptions and pictures of properties for rent, and an application form with a number of fields for the applicants to fill in.
15. On April 10, 2008, the investigator made an inquiry to Pent4Rent indicating he had an apartment in Penticton and was looking to rent it out.
16. On April 12, 2008, a response was received from "Karen" in which she advised that:
- (a) she and her daughter work with approximately 60 units in Penticton;
 - (b) they are not licensed property managers;
 - (c) they do not use written contracts for any of their landlords;
 - (d) they do reference checks and all other rental paperwork;

- (e) they charge half a month's rent for new tenant placements;
 - (f) they guarantee tenant placement for six months, and if the tenant moves they will place a new tenant at no charge, but thereafter they charge 10% of the rent per month;
 - (g) advertising is included in their fee;
 - (h) all rent cheques are made payable to the landlord; and
 - (i) they deal with tenant affairs as part of their service.
17. At the bottom of the email was a cell number of 250 487-8069, and two other references, [REDACTED] at [REDACTED]@shaw.ca, and [REDACTED] at [REDACTED]@yahoo.com.
18. On April 14, 2008 the investigator inquired via email to Pent4Rent indicating he was interested in renting an apartment.
19. On April 14, 2008, K. Dobrich responded and advised that:
- (a) they only work with properties they themselves manage;
 - (b) they do not charge the tenant a fee for placement; and
 - (c) the writer was requested to fill out the online application form in order for them to assist in finding a suitable property.
20. On April 23, 2008, the investigator contacted the complainant and she advised that she saw an advertisement for Pent4Rent in the *Penticton Herald* newspaper. On April 29, 2008, the "Penticton Herald" website included an advertisement for www.pent4rent.com in the classified section. The listing was also printed in the April 29 and 30, 2008 *Penticton Herald*. The listing states:
- 2 - 2 bdrm 2bath Exec Condos, \$1,000 - \$1,300. NP/NS, adults. 492-3355 to www.pent4rent.com

21. On May 13, 2008 the investigator contacted K. Dobrich who confirmed the following:
- (a) she works as an “offsite caretaker” for three houses, two condominiums and two apartment buildings;
 - (b) she insists she is an “offsite caretaker” rather than a property manager for her clients (property owners);
 - (c) she also manages other properties which she owns;
 - (d) she takes deposits and tends to tenant affairs on behalf of the landlord;
 - (e) she finds prospective tenants for her clients (property owners); and
 - (f) she completed the real estate course but decided not to become licensed.
22. The investigator advised K. Dobrich that Pent4Rent’s activities were in contravention of the *Act*, and she should contact the Real Estate Council to obtain licensing information. K. Dobrich disagreed with the investigator’s assessment of her activities. Based on the conversation, the investigator believes, and I agree, that K. Dobrich will likely continue to provide rental property management services without an order to cease the conduct.
23. Section 49 of the *Act* provides in part:

49(1) This section applies if, after a hearing under section 48 (2) [superintendent hearings], the superintendent determines that the person subject to the hearing did not hold a licence under this Act at a time when the person engaged in any activity for which such a licence was required.

(2) The superintendent may, by order, do one or more of the following with respect to a person referred to in subsection (1):

(a) require the person to cease the activity;

...

24. Section 51(1) of the Act provides:

51(1) The superintendent may act under this section if the superintendent considers that

(a) there has been conduct in respect of which the superintendent could make an order under section 49 [orders respecting unlicensed activity] or 50 [orders against licensees in the public interest], and

(b) the length of time that would be required to complete an investigation or hold a hearing, or both, in order to make such an order would be detrimental to the public interest.

25. Neither Victory Properties Ltd. dba Pent4Rent nor its directors, Earl Anthony Dale Dobrich, and Karen Louise Dobrich are licensed to provide rental property management services in British Columbia.

26. I find that, by engaging in the above noted activities, Victory Properties Ltd. dba Pent4Rent and its directors, Earl Anthony Dale Dobrich, and Karen Louise Dobrich, are actively engaged in providing rental property management services to or on behalf of others for or in expectation of remuneration in British Columbia in contravention of the Act.

27. Neither Victory Properties Ltd. nor its directors, Earl Anthony Dale Dobrich, and Karen Louise Dobrich are exempted from the requirement to be licensed by subsection 3(3) of the Act, nor are they exempted from the requirement to be licensed by the Regulation.

28. I agree with staff that a hearing would require three to five witnesses and would take approximately three days to complete, and could not be held for at least six months due to scheduling of parties, witnesses, counsel and the hearing officer.

29. I find that the length of time that would be required to hold a hearing would be detrimental to the due administration of the Act given that it would likely result in further non-compliance with the Act, which would harm the reputation of the British Columbia real estate industry and would be detrimental to the public interest.

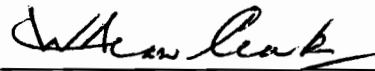
I THEREFORE CONSIDER that Victory Properties Ltd. and Victory Properties Ltd. dba Pent4Rent, Earl Anthony Dale Dobrich, and Karen Louise Dobrich are conducting themselves in a manner that would enable me to make an order under section 49 of the *Act*.

I THEREFORE ORDER pursuant to sections 51(2) (a) and 49(2) (a) of the *Act* that Victory Properties Ltd. and Victory Properties Ltd. dba Pent4Rent, Earl Anthony Dale Dobrich, and Karen Louise Dobrich:

Cease and desist conducting, directly or indirectly, real estate services, including rental property management services, in British Columbia, effective immediately.

TAKE NOTICE that Victory Properties Ltd., Earl Anthony Dale Dobrich, and Karen Louise Dobrich, may appeal this Order to the Financial Services Tribunal under section 54(1)(e) of the *Act*, or require a hearing before the Superintendent under sections 51(3) and 45(6) of the *Act*.

Dated at the
City of Surrey,
Province of British Columbia
this 21st day of May, 2008.



W. Alan Clark
Superintendent of Real Estate
Province of British Columbia

TO: Victory Properties Ltd.

#203 – 383 Ellis Street
Penticton, BC V2A 4L9

Victory Properties Ltd. dba Pent4Rent
#10 – 614 Winnipeg Street
Penticton, BC V2A 5M9

Earl Anthony Dale Dobrich
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Penticton, BC V2A 3S4

Karen Louise Dobrich
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