

IN THE MATTER OF THE REAL ESTATE SERVICES ACT

- AND -

PETER STEVENS

-AND-

ALTERNATE OPTIONS PROPERTY INVESTMENT INC.

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 (the "Staff"), I am of the opinion that:

1. On November 12, 2008, the Office of the Superintendent of Real Estate (the "Superintendent") received a complaint that Peter Stevens ("Stevens") and/or Alternate Options Property Investment Inc. ("AOPII") were providing real estate services without being licensed to do so under the *Real Estate Services Act*, S.B.C. 2004 c.42 ("RESA").
2. AOPII was federally incorporated on September 4, 2008 and was extra-provincially registered in British Columbia on October 23, 2008. AOPII's registered office, and head office in British Columbia, is located at [REDACTED] [REDACTED] AOPII's sole director is Stevens.
3. The Real Estate Council of British Columbia (the "Council") has confirmed that Stevens and AOPII are not currently licensed to provide real estate services in the Province of British Columbia.
4. Section 1 of *RESA* provides the following definitions:

"providing", in relation to real estate services, includes
 - (a) offering to provide such services,
 - (b) holding oneself out as a person who provides such services, or
 - (c) soliciting for the purpose of the provision of such 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;

"real estate services" means

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

"remuneration" includes any form of remuneration, including a commission, fee, gain or reward, whether the remuneration is received, or is to be received, directly or indirectly;

"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;

“rental real estate” means real estate that is or is intended to be rented or leased;

“trading services” means any of the following services provided to or on behalf of a party to a trade in real estate:

- (a) advising on the appropriate price for the real estate;
- (b) making representations about the real estate;
- (c) finding the real estate for a party to acquire;
- (d) finding a party to acquire the real estate;
- (e) showing the real estate;
- (f) negotiating the price of the real estate or the terms of the trade in real estate;
- (g) presenting offers to dispose of or acquire the real estate;
- (h) receiving deposit money paid in respect of the real estate

but does not include an activity excluded by regulation;

5. Section 3(1) of *RESA* states as follows:

Requirement for licence to provide real estate services

“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 services, or
- (b) exempted by subsection (3) of the regulations from the requirement to be licensed under this Part in relation to the provision of those real estate services.”

6. The complaint received by the Superintendent's office on November 18, 2008 alleged that Stevens and/or AOPll might be providing real estate services without a license. The complaint included a contact phone number for Stevens and AOPll, and internet links to advertisements for Stevens/AOPll's services, as follows:

- (a) <http://vancouver.en.craigslist.ca/reo/892943214.html>
- (b) <http://vancouver.en.craigslist.ca/reo/910360394.html>
- (c) <http://nanaimo.bargaincity.ca/browse/item.php?id=50694>
- (d) <http://vancouver.kijiji.ca/c-housing-real-estate-services-LOOKING-FOR-PROPERTY-DEAL-IN-LOWER-MAINLAND-W0QQdldZ85489329>

7. On January 9, 2009, Staff member Karyn Jackson ("Jackson") reviewed the four internet links provided with the November 12, 2008 complaint and found the following advertisements for services:

www.vancouver.en.craigslist.ca/reo/892943214.html

"Hi im a property investor here in the lower mainland, im looking for people who want to get a deal on the property they want to buy!

Please tell me what location, price range, ect [sic] you want and I will do my best to find for you! I am not a realtor and do not look at MLS to find you deals where there is none there! I help negotiate deals, help people get there [sic] 1st home with or without good credit. Please e-mail me at : pcivic2000@msn.co OR call PETER at [REDACTED]."

<http://vancouver.en.craigslist.ca/reo/910360394.html>

"Homeowners!!! Do you have a new house, new condo or new townhouse VACANT! I am NOT a realtor. I will find a buyer for your home. Your home must be vacant and allow for Rent To Own. Best quality tenants with no more maintenance problems. NO FEES or COST to you! SOLD!..."

<http://nanaimo.bargaincity.ca/browse/item.php?id=50694>

"BUY/SELL PROPERTIES Call Peter Stevens (Alternate options property investments Inc.) at [REDACTED] or email: pcivic2000@msn.com. Free evaluation. Welcome enquiries because of our full related experience..."

<http://vancouver.kijiji.ca/c-housing-real-estate-services-LOOKING-FOR-PROPERTY-DEAL-IN-LOWER-MAINLAND-W0QQdldZ85489329>

"Date Listed: 04-Nov-08

Hi, I have a property investor business here in the lower mainland buy getting property deals here in the lower mainland! Save thousands pay no realtor [sic] fees and get below market value! Please e-mail me at mailto: pcivic2000@msn.com. I need the details like city, type of property and any other details you want in your dream home or investment property wanted! Thanks and save money, I look forward in hearing from you! Have a great day peter"

8. On January 12, 2009, Jackson sent a pretext email to "Peter" at pcivic2000@msn.com, posing as a first-time home buyer seeking to purchase a home in the Burnaby area. Not having had a response, Jackson sent a second pretext email on January 27, 2009.

9. On January 28, 2009, Jackson received the following response from pcivic2000@msn.com:

"FOR SURE I HAVE YOUR E-MAIL ADDRESS, WHEN I COME ACROSS SOMETHING OF YOUR LIKING I WILL EMAIL YOU AD YOU CAN COME AND CHECK IT OUT."

10. On February 1, 2009, Jackson was sent an email by "peter stevens" of buyselloptions@hotmail.com regarding "Rent to own property opportunity." In addition to providing a description of the home, the following information was also provided:

"The Numbers:

- Purchase Price is 314,000
- Rent is 1475 per month including Strata Fee and Hot Water
- Rent Credit is 700 per month towards Purchase Price
- Deposit is Negotiable
- Term is 1 year, with option to extend up to 3 years.

Bad Credit is OK. Work with our Mortgage Broker during the term to assist with Qualifying..."

11. On February 2, 2009, Jackson was sent another email from "peter stevens" of buyselloptions@hotmail.com regarding another property. This email was sent to numerous people. In addition to providing a description of the home in question, the following information was also provided:

"Purchase price 248,000

Rent in first year is 1250 per month

Deposit negotiable

One year term

Bad credit ok. Work with our mortgage broker during the term to assist with qualifying."

12. On January 30, 2009, a telephone call was placed to Stevens at [REDACTED], requesting his attendance at the Superintendent's office.

13. On February 4, 2009 Jackson and Staff member Rod Clemons ("Clemons") interviewed Stevens. At that meeting, Stevens advised as follows:
- (a) He was in the process of arranging real estate transactions between buyers and sellers for a fee.
 - (b) He did not have a fee schedule as yet, but said that his fee would be based on the difference between the selling price and the purchase price.
 - (c) A large part of his business was going to be rent-to-own contracts.
 - (d) As of February 4, 2009, he had not yet entered into any contracts.
 - (e) He had a database of buyers, sellers and potential renters or rent-to-own clients and, within the next few weeks, would be ready to begin matching these people up.
 - (f) He would be showing properties for sellers.
 - (g) He would be advising his clients on appropriate selling prices and purchase prices.
 - (h) He had taken the UBC real estate course and written the exam, but failed it on two occasions.
 - (i) He had taken a residential manager course, but could not remember where. Upon completion of the course, he decided this was not a business which interested him, so he decided not to pursue it further.
 - (j) He had taken a six-week training course through Sutton Realty.
 - (k) He does not have his own money to invest in any properties. He has solicited investors, however, and would be using his database of local investors for property purchases.
 - (l) He provided a copy of the AOPll TD bank account statement for the October 28-31, 2008 period which showed that the account was opened on October 29, 2008 and had a balance of \$0.00.
14. At the meeting on February 4, 2009, Jackson advised Stevens that he was engaging in unlicensed real estate services, in contravention of *RESA*.

15. On February 5, 2009, the day after Jackson and Clemons met with him, Stevens sent another email to Jackson (at the pretext email address she had used), and numerous other people, advising as follows:

"Hi good morning. Attached is the 1 st step Rent to Own or possibly purchasing a property consent Application from HLC home loans Canada a very creative and lowest mortgage loan rate and please fill in and return to this e-mail as soon as possible, if unable to return please call peter at [REDACTED]. We will be happy to assist you in finding your dream home soon! Thanks again! We will have many great deals on properties in the lower mainland now, thanks again from us at Alternate Options Property Investments Inc. Hope to here [sic] from you soon!"

16. Jackson called Stevens after receiving the February 5, 2009 email at which time Stevens advised Jackson that he had cancelled all of his advertising following their February 4th meeting. Jackson advised Stevens that she was aware of the February 5, 2009 email which advertised his services, and which breached the provisions of *RESA*.

AND WHEREAS I find that:

1. Neither Stevens nor AOPII is licensed under *RESA* to provide real estate services within the province of British Columbia. A license is required pursuant to section 3 of *RESA* for a person to provide real estate services to or on behalf of another.
2. Real estate services under *RESA* include trading services and rental property management services. By finding real estate for parties to acquire, finding parties to acquire real estate, by showing real estate, and by advising on appropriate prices for the purchase and/or lease of real estate Stevens and AOPII are engaged in trading services and/or rental property management services for which a license is required.
3. Neither Stevens nor AOPII are exempted from the requirement to be licensed by subsection 3(3) of *RESA*, nor are they exempted from the requirement to be licensed by the Real Estate Services Regulation.
4. Stevens and AOPII are engaging in real estate services for which a license under *RESA* is required, although neither of them have the required license.

I THEREFORE CONSIDER THAT Stevens and AOPII are conducting themselves in a manner that would enable me to make an order under section 49 of *RESA*.

I AGREE with Staff that a hearing would require approximately three 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.

I FIND that the length of time that would be required to hold a hearing in order to make an order under section 49 of *RESA* would be detrimental to the due administration of *RESA* given that it would likely result in further non-compliance with the provisions of *RESA*. This is of particular concern given that Stevens continued to advertise his services the day after being advised by Staff that his activities constituted unlicensed activity, contrary to the provisions of *RESA*. Continued non-compliance would harm the reputation of the British Columbia real estate industry and would be detrimental to the public interest.

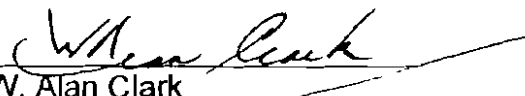
I AM FURTHER OF THE OPINION that it is in the public interest to make a summary order under section 51 of *RESA* so that the public is protected against further non-compliance with *RESA*.

I THEREFORE ORDER, pursuant to sections 51(2)(a) and 49(2)(a) of *RESA*, that Stevens and AOP11:

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

TAKE NOTICE that Stevens and AOP11 may appeal this Order to the Financial Services Tribunal under section 54(1)(e) of *RESA*, or request a hearing before the Superintendent under sections 51(3) and 45(6) of *RESA*.

Dated at the City of Surrey, in the
Province of British Columbia
this 3rd day of February, 2009.


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

TO: Peter Stevens

[REDACTED]
[REDACTED]
[REDACTED]

Alternate Options Property Investments Inc.

[REDACTED]
[REDACTED]
[REDACTED]

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