

**IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*
SBC 2004, c 42 as amended**

AND

IN THE MATTER OF

**KEVINDEEP SINGH BRATCH
(SURRENDERED)**

AND

**BRATCH REALTY LTD.
(SURRENDERED)**

NOTICE OF DISCIPLINE HEARING

To: Kevindeep Singh Bratch
Managing Broker
c/o 7148 195A Street,
Surrey, BC, V4N 5Z5

To: Bratch Realty Ltd.
101-5794 203 Street,
Langley, BC, V3A 1W3

TAKE NOTICE that a discipline committee of the Real Estate Council of British Columbia (the "Council") will hold a discipline hearing under Part 4 of the *Real Estate Services Act* ("RESA") on **November 30, 2020 to December 4, 2020 commencing at 9:30 am** in the Hearing Room at the Council's offices located at **900 – 750 West Pender Street, Vancouver, BC**, to determine whether your conduct contravened the RESA, the regulations made under the RESA (the "Regulation"), or any rules made under the RESA (the "Rules") in effect at the relevant time.

AND TAKE NOTICE that the allegations against you are as follows:

1. You committed conduct unbecoming within the meaning of section 35(2) of the RESA in that, in or about the time period of July 2015 to December 2017, while acting as the managing broker of Bratch Realty Ltd. (the "Brokerage"), and in relation to three properties described as:
 - a. xxxxx Rxxxxxx Axxxxx, Maple Ridge, BC, XXX XXX (the "Rxxxxx Axx. Property");
 - b. xxxxx Sxxxxxxxxxxx Pxxxx, Pitt Meadows, BC, XXX XXX (the "Sxxxxxxxxxxx Px. Property"); and
 - c. xxxx Lxxxxxx Rxxx, Richmond, BC, XXX XXX (the "Lxxxxxx Rx. Property")

(together, the "Properties"), you,

- a. targeted the owners of the Properties with a "rent to own" program which included disadvantageous terms for the owners, who you knew were in foreclosure proceedings and you knew or ought to have known were financially distressed and vulnerable at the time;
- b. purchased the Properties at prices less than assessed value, in your name and/or your wife Mxxxxxxx Txxxxx's ("Ms. Txxxxx") name and/or a numbered company XXXXXXX BC Ltd. ("XXX BC") of which your wife was a director, and knew or ought to have known that the owners had no agency or legal representation;
- c. included a term in each contract of purchase and sale that the contract was conditional on the owners each entering into tenancy agreements with yourself, Ms. Txxxxx and/or XXX BC;
- d. had the owners each execute a document titled "Option Agreement" along with the sale of the Properties which gave the owners the right to repurchase their homes from Mr. Bratch, Ms. Txxxxx and/or XXX BC at a predetermined value in a specified time frame, when you knew or ought to have known that the owners did not have independent legal advice;
- e. created a mechanism in the Option Agreements by which:
 - a. the owners earned credits towards the re-purchase of their homes from their rent payments (approximately less than 20% of the actual monthly rent payment); and
 - b. all credits earned and consideration paid would be non-refundable if the owners did not exercise their right to the option or defaulted on their tenancy agreements;
- f. included a clause in each Option Agreement which states: "the recording of this option or any memorandum thereof will result in the automatic revocation of this option, and all monies paid to the owner by the tenants shall be retained by the owner as liquidated damages," to ensure that the owners did not register their options against the Properties in the Land Titles Office; and
- g. knew or ought to have known that the owners relied on your advice and self identification as a realtor with expertise in foreclosure matters when entering into the contracts related to the Properties.

2. You committed professional misconduct within the meaning of section 35(1)(a) of the RESA, while acting as the managing broker of the Brokerage, in or about the time period of July 2015 to December 2017, when purchasing the Properties from the owners, you failed to make proper disclosure of an interest in trade on the Properties as follows:

- a. regarding the Rxxxxx Axx Property, you did not indicate on the Disclosure of Interest Form that XXX BC, a company of which your wife was a director, was acquiring the property;
- b. regarding the Sxxxxxxxxx Px Property you failed to complete and provide a Disclosure of Interest Form indicating you and your wife were acquiring the property; and
- c. regarding the Lxxxxx Rx. Property, you failed to indicate on the Disclosure of Interest Form that your wife, Ms. Txxxxx, was acquiring the property

in contravention of Rule 5-9(1) [*Disclosure of Interest in Trade*], Rule 3-1(1) [*business of brokerage carried out competently*] and Rule 3-4 [*reasonable care and skill*].

3. You committed professional misconduct within the meaning of section 35(1)(a) and 35(1)(g) of the RESA, as the managing broker of the Brokerage, in that you

- a. made a false or misleading statement in the Brokerage Activity Report dated March 23, 2017, for the time period ending November 30, 2016, by indicating that the Brokerage completed four deals, but the Brokerage records indicate that it actually completed ten deals in the relevant time period

in contravention of Rule 3-1(1) [*business of brokerage carried out competently*] and Rule 3-1(3) [*ensure trust accounts and records of the brokerage are maintained in accordance with the Act, Regulations, Rules and Bylaws*].

4. The Brokerage committed professional misconduct within the meaning of section 35(1)(a) and 35(1)(g) of the RESA in that the Brokerage

- a. made a false or misleading statement in the Brokerage Activity Report dated March 23, 2017, for the time period ending November 30, 2016, by indicating that the Brokerage completed four deals, but the Brokerage records indicate that it actually completed ten deals in the relevant time period

in contravention of Rule 7-7(1)(c) [*requirement to file Brokerage Activity Report with the Council in accordance with the bylaws*].

5. The Brokerage committed conduct unbecoming within the meaning of section 35(3) as Mr. Bratch, the sole officer, director and managing broker of the Brokerage committed conduct unbecoming as described at paragraph 1 above.

AND FURTHER TAKE NOTICE that if the discipline committee finds you committed professional misconduct and/or conduct unbecoming, the discipline committee must make an order against you, and may also order you to pay enforcement expenses incurred by the Council, under sections 43 and 44 of the RESA.

AND FURTHER TAKE NOTICE that if you do not attend the discipline hearing, the discipline committee may proceed with the discipline hearing in your absence and may make findings and orders under sections 43 and 44 of the RESA without further notice to you.

AND FURTHER TAKE NOTICE that you are entitled, at your own expense, to be represented by legal counsel and to participate in the discipline hearing.

Dated this 8 day of June 2020 at the City of Vancouver, British Columbia.

Real Estate Council of British Columbia

A handwritten signature in black ink, appearing to read 'Charlene', with a long horizontal flourish extending to the right.

Per: Charlene McLaughlin
Director, Legal Services