Citation: Jovi Realty Inc (Re), 2025 BCSRE 179
Date: 2025-11-06
File # 23-5051

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

JOVI REALTY INC.
(X032998)

AND

LIGHTHOUSE REALTY LTD.
(X022055)

REASONS FOR ORDER TO FREEZE PROPERTY

[These Reasons have been redacted before publication.]

Date of Hearing:	Written Submissions Received November 5, 2025
Counsel for BCFSA:	Michael Jones
Hearing Officer:	Gareth Reeves

Introduction

1. The BC Financial Services Authority ("**BCFSA**") brings, pursuant to section 46 of the *Real Estate Services Act*, SBC 2004, c 42 ("**RESA**"), a without notice application seeking orders freezing the accounts of Jovi Realty Inc ("**Jovi**") and Lighthouse Realty Ltd ("**Lighthouse**") held at [Bank1] ("**[Bank 1]**") and [Bank 2] ("**[Bank 2]**") and prohibiting Jovi and Lighthouse from withdrawing funds from those accounts. Those accounts are as follows:
    a. [Bank 1] account number [redacted] (Jovi Realty Security Deposit Account);
    b. [Bank 1] account number [redacted] (Jovi Realty Rental Trust Account);
    c. [Bank 1] account number [redacted] (Jovi Realty Commission Trust Account);
    d. [Bank 1] account number [redacted] (Jovi Realty Trading Trust Account);
    e. [Bank 1] account number [redacted] (Jovi Realty General Operating Account);
    f. [Bank 2] account number [redacted] (Jovi Realty General Operating Account);
    g. [Bank 1] account number [redacted] (Lighthouse Realty Security Deposit Trust Account);
    h. [Bank 1] account number [redacted] (Lighthouse Realty Rental Trust Account);
    i. [Bank 1] account number [redacted] (Lighthouse Realty General Trust Account);

j. [Bank 1] account number [redacted] (Lighthouse Realty Commission Trust Account); and,

k. [Bank 1] account number [redacted] (Lighthouse Realty Operating Account).

(collectively, the "**Accounts**")

2. In seeking those orders, BCFSA takes the position that there are reasonable grounds to believe that Jovi and Lighthouse have contravened the *Real Estate Services Rules*, BC Reg 209/2021 (the "**Rules**") in a way that is contrary to the public interest and that it is in the public interest to issue the above orders.

3. This order is pursued after previous urgent and freeze orders issued by me against Balpreet Singh Bal, Fraseridge Realty Ltd. doing business as Amex-Fraseridge Realty ("**Amex**"), and Bal Realty Services Incorporated ("**Bal Realty**") on October 30, 2025 (the "**Previous Orders**") in this matter with reasons issued concurrently under and indexed as *Bal (Re)*, 2025 BCSRE 147. BCFSA relies on the material submitted seeking the Previous Order[s] supplemented by further affidavits.

4. This application was heard by way of written submissions.

5. On November 5, 2025, I granted the orders sought by BCFSA and indicated that my written reasons regarding the orders would follow. These are my written reasons regarding BCFSA's application for the above noted orders.

Issues

6. The issues are:

   a. Should an order prohibiting Jovi and Lighthouse from withdrawing funds from the Accounts, be issued pursuant to section 46(2)(a) of RESA?

   b. Should an order freezing Jovi's and Lighthouse's Accounts be issued pursuant to section 46(3) of RESA?

Jurisdiction Procedure

7. Pursuant to section 2.1(3) of RESA the Superintendent of Real Estate (the "**superintendent**") may delegate any of its powers. The superintendent has delegated the statutory powers and duties under sections 42 through 53 of RESA to the Senior Hearing Officer and Hearing Officers of the Hearings Department of BCFSA.

Background and Investigation

8. The evidence and information before me in this application includes affidavits from a BCFSA Senior Investigator, [Investigator 1], dated October 27, 2025; a BCFSA Senior Auditor, [Auditor 1], dated October 20, 2025; a BCFSA Senior Auditor, [Auditor 2], dated October 20, 2025 and the exhibits to those affidavits which were submitted on October 29, 2025 seeking the Previous Orders. On this application, BCFSA has supplemented those materials by affidavits from a BCFSA Paralegal, [Paralegal 1], dated November 5, 2025 and from a BCFSA Manager of Investigations, [Investigator 2], dated November 5, 2025.

9. As noted in *Bal (Re)*, the material before me is voluminous and complex. I will not, in this context reiterate all the findings I made in *Bal (Re)*, though I will reference them and I rely herein on the facts found in that decision save where I indicate differently. I have reviewed all the information before me. I intend the below to provide context for my reasons. I do not intend it to be a complete recitation of the facts before me.

Licensing Histories, Corporate Information, and Accounts

10. Bal Realty has been licensed under RESA since April 23, 2014. Amex has been licensed as a brokerage under RESA since November 22, 1994.

11. Mr. Bal was first licensed as a representative in the trading services category on April 20, 2010. He has been licensed since that date except for a brief period in April 2012. Mr. Bal became licensed as an associate broker on March 13, 2013 and then became the managing broker of Bal Realty on April 23, 2014. He became the managing broker of Amex on December 20, 2017. He has been the managing broker of Bal Realty and Amex since those dates. He is the sole managing broker of Amex and Bal Realty. On August 26, 2019, Mr. Bal also became licensed in the rental property management services category.

12. Mr. Bal was licensed as a submortgage broker under the *Mortgage Brokers Act*, RSBC 1996, c 313 from June 4, 2015 to June 3, 2019 with Blackfriar Financial Group, which between June 4, 2015 and July 31, 2018 was named Bal Mortgage Services Incorporated. Mr. Bal is not currently registered under the *Mortgage Brokers Act*.

13. Jovi was first licensed as a brokerage in the trading services category on August 11, 2016. It added the rental property management services category on December 5, 2017. It has been so licensed since that date.

14. [Managing Broker 1] is the sole managing broker of Jovi Realty. He has been a managing broker of Jovi Realty since July 19, 2024. He is presently licensed in the trading services and rental property management services categories.

15. Lighthouse was first licensed as a brokerage in the trading services and rental property management services categories on June 19, 1991. It has been so licensed since that date.

16. [Managing Broker 2] is one of Lighthouse's managing brokers. He has been licensed as a managing broker there since July 17, 1997, except for a brief period in October 1997. He is presently licensed in the trading services category.

17. [Managing Broker 3] is one of Lighthouse's managing brokers. He has been licensed as a managing broker there since June 19, 1991, except for one day in December 2001. He is presently licensed in the trading services and rental property management services categories.

18. [Managing Broker 2] and [Managing Broker 3] are the only managing brokers licensed with Lighthouse.

19. Mr. Bal was previously a director of Jovi and Lighthouse. It appears that he acquired shares in Jovi and Lighthouse in the summer of 2024. On November 3, 2025, Mr. Bal was removed as a director of Jovi and Lighthouse. The sole director of both Jovi and Lighthouse is presently [Director 1].

20. [Director 1]'s licensing history is not before me, but it appears that he was licensed in relation to Bal Realty and Amex in the past.

21. The evidence before me demonstrates that Jovi and Lighthouse hold the Accounts at [Bank 1] and [Bank 2] as indicated above.

General Background

22. I have set out the background to the investigation in this matter and my findings of fact informing my decision to make the Previous Orders in *Bal (Re)*.

23. Following my decision in *Bal (Re)*, BCFSA delivered the Previous Orders to [Bank 1] who advised, through an email exchange with [Paralegal 1], that Amex's and Bal Realty's accounts had been frozen and that all the accounts had a zero balance, except for Amex's commission trust account which had a $1.70 balance. This includes Amex's trading trust account which held $2,750,000 of deposit money held in relation to a transaction concerning a sale of [Property 1], Surrey, BC by [Complainant 1] ("**[Complainant 1]**") plus $95,130.18 in relation to other matters as of September 12, 2025. On that date, Amex's commission trust account held $375,537.38. The accounts with zero balance had all been taken to a zero balance on September 29, October 2, or October 10, 2025, except Bal Realty's commission trust account, which was taken to a zero balance on October 27, 2025.

24. On November 4, 2025, Mr. Bal's counsel advised BCFSA that the $2,750,000 held by Amex in relation to the [Complainant 1] matter had been transferred to Jovi Realty's operating account which then had a balance of $2,793,160.84. She explained that Mr. Bal was in the process of shutting down Amex and transferred the funds to Jovi with the intention of paying them into his counsel's trust account pending a resolution of the [Complainant 1] litigation which had been set for summary trial to commence on November 17, 2025. Mr. Bal's counsel indicated that Mr. Bal did not intend to abscond with the funds.

25. On that same date, [Investigator 2] and [Auditor 1] spoke with [Managing Broker 1] who advised the following:

    a. that he does not have signing authority on Jovi's trust accounts;

    b. that he does not have knowledge of Jovi's financial situation and has not reviewed Jovi's trust account activities or reconciliations;

    c. that he believed Mr. Bal and [Director 1] were the only signing authorities for Jovi's trust accounts;

    d. that Mr. Bal was the owner and director of Jovi; and

    e. that [Director 1] is an employee of Jovi who manages its financial accounts.

26. On that same date, [Investigator 1] and [Auditor 2] spoke with [Managing Broker 3] who advised the following:

    a. that he does not have signing authority on Lighthouse's trust accounts;

    b. that he does not have access to any of Lighthouse's financial statements, records or bank accounts and solely manages Lighthouse's licensees;

    c. that Mr. Bal purchased Lighthouse in July 2024 and is its owner and director;

    d. that [Director 1] and [Individual 1], who are administrative staff for Lighthouse, have access to Lighthouse's financial information;

    e. that he believes Mr. Bal became a managing broker when he purchased Lighthouse; and

    f. that Mr. Bal has signing authority on Lighthouse's trust accounts.

27. On that same date, [Investigator 1] also spoke with [Managing Broker 2] who advised the following:

    a. that he does not have signing authority on Lighthouse's trust accounts; and

    b. that he does not have access to any of Lighthouse's financial statements, records, or bank accounts.

28. On that same date, [Investigator 1] and [Auditor 1] interviewed Mr. Bal who stated that he is no longer involved with Lighthouse and Jovi, that the shares of Lighthouse and Jovi have been transferred to [Director 1], that he is not an authorized signatory on Lighthouse's or Jovi's trust accounts, and that he does not have access to Lighthouse's or Jovi's bank accounts.

Reasons and Findings

Applicable Legislation

29. RESA provides, in relevant part, as follows:

Orders to freeze property

46(1) The superintendent may make an order under this section if the superintendent believes on reasonable grounds that a licensee has contravened this Act, the regulations or the rules in a way that is contrary to the public interest.

(2) If subsection (1) applies, the superintendent may, by order directed to the licensee, do either or both of the following:

(a) prohibit the licensee from withdrawing any of the licensee's property, or any of it identified in the order, from the possession of another person named in the order who has the property on deposit, under control or for safekeeping;

(b) require the licensee to hold all property, or any of it identified in the order, that is in the licensee's possession or control in trust for

(i) a receiver or receiver manager who has been appointed, or whose appointment has been or is to be applied for, under section 59 [*court order for appointment of receiver*], or

(ii) a custodian, trustee, receiver manager, receiver or liquidator who has been appointed, or whose appointment has been applied for, under any other enactment.

(3) If subsection (1) applies, the superintendent may, by order, require a person having in British Columbia, on deposit, under control or for safekeeping, any property of the licensee to hold all of that property, or any of it identified in the order.

(4) An order under this section may be made without advance notice to a person affected by the order but, promptly after making the order, the superintendent must give a copy of the order to the person to whom it is directed.

(5) The superintendent may, by order, vary or rescind an order under this section on the superintendent's own initiative or on the application of a person affected by the order.

(6) Property affected by an order under this section continues to be affected by the order and remains frozen as provided in the order until the property is released under subsection (5) or is dealt with in accordance with a court order.

(7) If a savings institution is the holder of property described in subsection (3), the order applies only to the offices, branches or agencies of the savings institution that are specified in the order.

(8) If

(a) a person to whom an order under subsection (3) is directed is uncertain respecting the application of the order to any property, or

(b) a claim is made to the property by a person not named in the order,

the person may, on giving notice to the superintendent, apply to the Supreme Court for an order under subsection (9).

(9) On an application under subsection (8), the court may order the disposition of the property as it considers appropriate.

Analysis

30. Section 46 of RESA empowers the superintendent to make orders to freeze property held by licensees.

31. Specifically, Section 46(1) provides that if the superintendent believes on reasonable grounds that a licensee has contravened RESA, the *Real Estate Services Regulation*, BC Reg 506/2004 (the "**Regulation**"), or the Rules in a way that is contrary to the public interest, the superintendent may, pursuant to section 46(2), by order directed to the licensee, prohibit the licensee from withdrawing any of the unlicensed person's property, or any of it identified in the order, from the possession of another person named in the order who has the property on deposit, under control or for safekeeping.

32. Section 46(3) provides that if section 46(1) applies, the superintendent may also make an order requiring a person in British Columbia who has any property of the licensee "on deposit, under control or for safekeeping" to hold all that property.

33. Pursuant to section 46(7), if a Savings Institution is the holder of the property described in section 46(3), any order issued under that section applies only to the offices, branches, or agencies of the Savings Institution that are specified in the order.

34. Broadly, the questions to be asked prior to issuing an order pursuant to section 46 are whether there are reasonable grounds to conclude that the licensee has contravened or is contravening RESA in a way that was or is contrary to the public interest, and, if so, whether it is in the public interest to freeze the licensee's accounts. I address both of those questions below.

Section 46(2)(a) and 46(3): Reasonable Grounds to Believe Jovi and Lighthouse Committed Contraventions Contrary to the Public Interest

35. BCFSA submits that there are reasonable grounds to believe that Jovi and Lighthouse are not being managed by their managing brokers. BCFSA specifically alleges that the evidence demonstrates contraventions of section 28 and 72(1) of the Rules.

36. With regard to section 28 of the Rules, I am inclined to agree with BCFSA's submissions that there are reasonable grounds to believe that the section has been or is being contravened by [Managing Broker 2], [Managing Broker 3], and [Managing Broker 1] because they are not ensuring the business of Lighthouse and Jovi are being carried out in competently and in accordance with RESA and the Rules contrary to section 28(1)(b) of the Rules; are not ensuring Jovi's and Lighthouse's records are maintained in accordance with RESA, the Regulation, and the Rules and are not ensuring Jovi and Lighthouse manage and control their records in compliance with regulatory requirements contrary to section 28(3); and are not ensuring the trust accounts of Jovi and Lighthouse are maintained in accordance with RESA, the Regulation, and the Rules. In my view, the fact that they do not have access to financial records demonstrates that they cannot not discharge these responsibilities.

37. That said, section 46 of RESA authorizes me to issue orders freezing a licensee's property and accounts if it is proven that there are reasonable grounds to believe that that licensee contravened RESA, the Regulation, or the Rules. Section 28 only imposes obligations on managing brokers and not on brokerages. BCFSA does not seek any orders against [Managing Broker 1], [Managing Broker 2], or [Managing Broker 3]. Therefore, the contraventions of section 28 alleged by BCFSA are not directly relevant to the question of whether there are reasonable grounds to believe Jovi or Lighthouse have contravened RESA, the Regulation, or the Rules in a manner contrary to the public interest so as to justify an order under section 46.

38. Regarding section 72(1), that section requires at least one managing broker at a brokerage to be a signing authority on its trust accounts. The wording of the section does not clearly indicate who bears the obligation comply with that section. That said, it is contained in Part 7 of the Rules which generally contains the obligations placed on brokerages concerning the operation of their accounts and the management of their financial operations. Further, managing brokers are already liable to ensure compliance with the provisions of Part 7 through the operation of section 28 of the Rules; therefore, placing the requirement on the managing brokers would be somewhat duplicative. In addition, it is the brokerage who is best placed to ensure that its managing brokers have the required signing authority because it is the brokerage who can grant that authorization. Although managing brokers are assumed to have substantial supervisory authority under RESA, that is not guaranteed and, in my view, the purpose of section 72(1) is to ensure that brokerages provide managing brokers with that authority over brokerage trust accounts.

39. The evidence establishes reasonable grounds to believe that Jovi and Lighthouse do not have a managing broker as a signing authority on their trust accounts contrary to section 72(1).

40. In my view, this state of affairs is contrary to the public interest. The requirement that a managing broker be a signatory to the trust accounts of a brokerage is a key control in place to ensure managing brokers have access to and control over brokerage trust accounts and that, in turn, the superintendent has the ability to properly supervise those accounts. Without that signing authority in place, the only individuals in control of a trust account may be those that are outside the scope of the superintendent's jurisdiction or those that do not have the same managerial and supervisory obligations imposed by RESA, the Regulation, and the Rules as managing brokers do.

41. In regard to Lighthouse, the evidence also establishes reasonable grounds to believe that the none of the statements for its trust accounts include an indication that they relate to a trust account as required by section 72(3) of the Rules. On the evidence before me, the account statements appear indistinguishable from a general business account. Section 72(3) of the Rules requires that these statements, cheques, and deposit slips for these accounts all include an indication that they relate to trust accounts. None of the statements before me indicate that they relate to trust accounts.

42. In my view, this is also contrary to the public interest because it indicates that the accounts may not be appropriately identified as trust accounts which would protect the funds held in them from seizure by third parties pursuant to garnishing orders or from improper handling by the banks involved.

43. In regard to Jovi, the evidence also establishes reasonable grounds to believe that it has contravened section 27(2) of RESA by failing to promptly pay funds held or received on behalf of a principle in relation to real estate services or held on account of remuneration for real estate services into its brokerage trust account. The evidence indicates that Amex transferred $2,750,000 from its trust account to Jovi's operating account no later than September 29, 2025 and that the funds sat in that account until November 4, 2025. It is clear from the evidence as described in *Bal (Re)* that those funds are either held in trust as a deposit in relation to the [Complainant 1] transaction or that they are held as commissions payable to Mr. Bal. In either case, section 27(2) of RESA required those funds to be paid into a brokerage trust account promptly. A delay of more than a month is not prompt.

44. I note in this regard that there is no evidence before me establishing that any of the exceptions under section 30(2) of RESA to the requirement placed on Amex to hold those funds in trust as a stakeholder apply. The funds were not paid into Amex's account by mistake, they do not constitute interest, they are not authorized to be paid as licensee remuneration, they are not unclaimed funds, they were not paid into court, no court order has directed they be paid to Jovi, there does not appear to be any agreement between Amex and [Complainant 1] authorizing the

payment to Jovi, and they are not paid in accordance with the home-buyer recission rights expressed in the *Property Law Act*, RSBC 1996, 337 and its regulations. There are therefore reasonable grounds to believe that Jovi improperly received these funds in breach of the requirements imposed by RESA; plans to transfer those funds contrary to the requirements of RESA; and, given Mr. Bal was a director of Jovi and Amex at the time, is implicated in Mr. Bal's *prima facie* deceptive dealing, wrongful taking, and failure to act honestly as described in *Bal (Re)*.

45. In my view, this apparent contravention of section 27(2) of RESA is contrary to the public interest. As noted above, trust accounts are given greater protection than general accounts. It is not in the public interest to have funds held in trust held in a general account for more than a month. Jovi's receipt of the funds contrary to RESA and its plans to handle those funds contrary to RESA are also clearly contrary to the public interest.

Section 46(2)(a) and 46(3): Public Interest in Making Freeze Orders

46. I turn now to the question of whether it is in the public interest to grant orders freezing Jovi's and Lighthouse's accounts. Considering this question requires an assessment of the balance of interests between the superintendent taking action to protect the public and the funds placed at risk by the licensee's misconduct and the possible harm that could flow from that intervention.

47. I note in this regard that the evidence before me establishes that that Lighthouse's trust accounts, at least during the summer of 2025, held significant funds: in the hundreds of thousands of dollars in some accounts.

48. It is not established before me what amount of money Jovi holds in its trust accounts. The sum in its operating account is set out above, but I have no evidence of the amounts held in its accounts. I note that both brokerages operate both trading and rental property management practices. For the purposes of these reasons, I will assume they are significant and similar to those held by Lighthouse.

49. Freezing the funds in Jovi's and Lighthouse's accounts is likely to create problems for the persons entitled to those funds in regard to closings, receiving rental payments, paying out rents to landlords, and receiving earned commissions. The fact that the freeze orders are sought near the beginning of the month, after most rents are due, diminishes the issue with regard to the receipt of rents, but does not eliminate it. An inability to pay landlords will prejudice to those landlords, depending on the timing of those payments relative to the freeze orders, but that prejudice is not likely to be irreparable or substantial: on the order of thousands of dollars as opposed to tens of thousands. That prejudice is significant but amounts to a delay not a denial of payment. Similarly, the payment to licensees will be delayed, but I do not find that prejudice to be irreparable. In my view, the most concerning aspect of the proposed intervention is the order to freeze Lighthouse's general trust account where a delay in release of funds might interfere with individuals completing property closings. The quantum of funds and the nature of the accounts in which they are held therefore suggests caution.

50. Conversely the quantum of funds also highlights the need to ensure the funds are properly managed in accordance with RESA and the Rules by an individual with appropriate authority. The risk presented by not having appropriate oversight increases as the quantum of funds increases.

51. The risks associated with freezing the accounts should only be taken if the risks to those accounts, in the circumstances, are sufficiently high to outweigh them given the speed with which the issues can be addressed so as to justify narrowing or removing the freeze orders under section 46(5) of RESA.

52. I turn then to address those risks.

53. Looking at the whole of the circumstances, I have significant concerns that the funds in both Jovi's and Lighthouse's accounts are not being properly managed.

54. Jovi's improper receipt of $2,750,000 in trust funds from Amex is the clearest example of this. Not only were those funds improperly obtained by Jovi in circumstances where Jovi, Amex, and Mr. Bal all should have known the payment was improper and contrary to the provisions of RESA. In addition, the funds were held in a general account for more than a month with no plan to return them to a trust account held by a brokerage, no managing broker oversight, and with explicit plans to have the funds paid out in a way that appears to deliver the funds beyond the supervisory jurisdiction of the superintendent. Although I have few doubts that Mr. Bal's lawyer's trust account is safe, it is not within the jurisdiction of the superintendent and Jovi's payment of those funds to her would itself appear to be a planned contravention of the trust rules in RESA. This raises concerns for me that Jovi's trust funds are not generally well managed and may be at risk without proper supervision by a licensed managing broker, which ties the matter back to Jovi's contravention of section 72 of the Rules. I also find that the superintendent should not lightly tolerate a loss of supervisory jurisdiction that explicitly arises as a result of a breach of the provisions of RESA.

55. With regard to Lighthouse, the failure to designate its trust accounts as trust accounts as required by section 72(3) of the Rules creates a similar, though not as significant concern that Lighthouse is not properly managing its trust accounts. Again, this raises the concern that the funds therein might be at risk without proper supervision by a licensed managing broker.

56. With regard to both brokerages, the lack of supervision of the accounts by the managing brokers raises additional concerns because there is no evidence that anyone subject to the superintendent's jurisdiction is monitoring the accounts.

57. Further, I am concerned about the circumstances of Mr. Bal's divestment of his role in both Jovi and Lighthouse which appears to have resulted in the transfer of his interests in Jovi and Lighthouse to [Director 1], who is not a licensee. That transfer appears to have been precipitated by the Previous Orders, which raises doubts regarding the *bona fides* of that transaction because it makes it appear as if Mr. Bal may be trying to distance himself from Jovi and Lighthouse somewhat precipitously. He also appears to intend to maintain some control over Jovi and Lighthouse as evidenced by the fact that he has entrusted Jovi with $2,750,000 in funds that should be held in trust and that Mr. Bal, despite not being a director of Jovi, plans to direct their payment to his counsel. This suggests that Mr. Bal's divestment might not be entire and that he may retain some beneficial interest or other form of influence over Jovie and Lighthouse. The relationship between Jovi, Lighthouse, Mr. Bal, and [Director 1] is therefore of concern. Although Mr. Bal's counsel's statement that he does not intend to flee to California gives some comfort, I find there are reasonable grounds to believe that Mr. Bal has not disentangled himself from Jovi and Lighthouse in a way that would remove any risk from his involvement in its accounts, particularly when it seems that [Director 1] has a significantly influential role in the management of those accounts.

58. The risks presented by the current situation are significant because the brokerages' accounts are not managed by managing brokers, they appear to be improperly managed, and they appear to be accessible by or their operations appear to be influenced by Mr. Bal, for whom there exists reasonable grounds to believe he has seriously misconducted himself.

59. With regard to the speed with which the issues can be addressed, I find that they likely could be addressed to the satisfaction of the superintendent once appropriate individuals are placed in positions of authority, concerning individuals are removed from those positions, plans are made to appropriately handle the $2,750,000 in compliance with RESA, the trust accounts are demonstrated to be appropriately indicated, necessary supervisory conditions are in place, or some combination of these results are achieved. It seems to me that these steps could be taken

with dispatch. In addition, there could be successive orders under section 46(5) of the Rules to release each account as they come into compliance, which will alleviate the risks to the beneficiaries of the trust funds, being individual owners and prospective purchasers and sellers.

60. I am comforted to some extent by the recent alacrity demonstrated by BCFSA's investigation team in bringing the current situation before me to address. Further, the speed with which Mr. Bal removed himself as director and appears to have offloaded his shares in Jovi and Lighthouse indicates that Mr. Bal, Jovi, and Lighthouse are all willing to address issues quickly. Although I have reservations regarding said offloading, it did occur quickly. That suggests to me that the matter will be quickly handled and prejudice to the public will be minimized.

61. Considering the above, I find that there are reasonable grounds to believe that Jovi and Lighthouse contravened section 72(1) of the Rules in a manner contrary to the public interest. In my view, those contraventions create significant concerns regarding the management of the Accounts given the clear lack of managing broker supervision of the Accounts and the facts set out in *Bal (Re)* which were establishes on a *prima facie* basis and the questions regarding Mr. Bal's continued influence over Jovi and Lighthouse. These concerns are compounded by the reasonable grounds to believe Jovi has contravened section 27(2) of the Rules in a way that connects it to the misconduct regarding the [Complainant 1] transaction described in *Bal (Re)* and to believe that Jovi plans to further contravene the trust accounting rules in RESA by its handling of $2,750,000. The concerns are also compounded by the demonstrated reasonable grounds to believe that Lighthouse has contravened section 72(3) of the Rules and is not properly managing its trust accounts. Although there are significant funds being frozen in Lighthouse's accounts and likely significant funds to be frozen in Jovi's accounts, the risks are substantial enough and the path to correct the issues appears clear and achievable within a reasonable time. I therefore find that an order freezing all the identified accounts of Jovi and Lighthouse is in the public interest while the issues with the handling of those accounts is addressed pending further orders or variations of the orders I now make.

Conclusion

62. I find that there are reasonable grounds to conclude that Jovi and Lighthouse contravened RESA and the Rules in a way that was contrary to the public interest, and that it is in the public interest to freeze the trust accounts used by Jovi and Lighthouse. As a result, I order that:

    a. under section 46(2)(a) of RESA, that Jovi Realty and Lighthouse Realty be prohibited from withdrawing any funds out of the bank accounts currently held by Jovi Realty and Lighthouse Realty on deposit for Jovi Realty and Lighthouse Realty, and whether held solely or jointly, including the following bank accounts located at [Bank 1] located at [Property 2], Vancouver, BC (branch transit #[redacted]) and [Bank 2] located at [Property 3], Vancouver, BC (branch transit #[redacted]):

        i. [Bank 1] account number [redacted] (Jovi Realty Security Deposit Account);
        ii. [Bank 1] account number [redacted] (Jovi Realty Rental Trust Account);
        iii. [Bank 1] account number [redacted] (Jovi Realty Commission Trust Account);
        iv. [Bank 1] account number [redacted] (Jovi Realty Trading Trust Account);
        v. [Bank 1] account number [redacted] (Jovi Realty General Operating Account);
        vi. [Bank 2] account number [redacted] (Jovi Realty General Operating Account);
        vii. [Bank 1] account number [redacted] (Lighthouse Realty Security Deposit Trust Account);
        viii. [Bank 1] account number [redacted] (Lighthouse Realty Rental Trust Account);
        ix. [Bank 1] account number [redacted] (Lighthouse Realty General Trust Account);

x. [Bank 1] account number [redacted] (Lighthouse Realty Commission Trust Account); and,

xi. [Bank 1] account number [redacted] (Lighthouse Realty Operating Account).

b. under section 46(3) of RESA, that [Bank 1] freeze and hold any and all accounts held on deposit for or in the name of Jovi Realty and Lighthouse Realty, whether solely or jointly, and including the following accounts held at [Bank 1] located at [Property 2], Vancouver, BC (Branch #[redacted]):

i. [Bank 1] account number [redacted] (Bal Realty General Trust Account);

ii. [Bank 1] account number [redacted] (Bal Realty Commission Trust Account);

iii. [Bank 1] account number [redacted] (Bal Realty General Account);

iv. [Bank 1] account number [redacted] (Amex Trading Trust Account);

v. [Bank 1] account number [redacted] (Amex Commission Trust Account); and

vi. [Bank 1] account number [redacted] (Amex General Account).

c. under section 46(3) of RESA, that [Bank 2] freeze and hold any and all accounts held on deposit for or in the name of Jovi Realty and Lighthouse Realty, whether solely or jointly, and including the following accounts held at [Bank 2] located at [Property 3], Vancouver, BC (branch transit #[redacted]):

i. [Bank 2] account number [redacted] (Jovi Realty General Operating Account).

DATED at North Vancouver, BRITISH COLUMBIA, this 6th day of November, 2025.

“Original signed by Gareth Reeves”

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Gareth Reeves
Hearing Officer

File # 23-5051

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

JOVI REALTY INC.

(X032998)

AND

LIGHTHOUSE REALTY LTD.

(X022055)

ORDER TO FREEZE PROPERTY UNDER SECTION 46

Upon reading the sworn Affidavits of [Investigator 2], Manager of Investigations; [Paralegal 1], Paralegal; [Auditor 1], Senior Auditor; [Auditor 2], Senior Auditor; and [Investigator 1], Senior Investigator this file, number 23-5051, all employed by BC Financial Services Authority ("**BCFSA**"), and upon reading the written submissions of Michael Jones, counsel for BCFSA, the Superintendent of Real Estate (the "**Superintendent**") is satisfied that the requirements in section 46(1) of the *Real Estate Services Act* ("**RESA**") have been met:

1. there are reasonable grounds to believe that Jovi Realty Inc. ("**Jovi Realty**") and Lighthouse Realty Ltd. ("**Lighthouse Realty**") have contravened RESA, the *Real Estate Services Regulation*, or the *Real Estate Services Rules*;
2. it is in the public interest that an order be made under 46 of RESA.

THEREFORE, I ORDER:

1. under section 46(2)(a) of RESA, that Jovi Realty and Lighthouse Realty be prohibited from withdrawing any funds out of the bank accounts currently held by Jovi Realty and Lighthouse Realty on deposit for Jovi Realty and Lighthouse Realty, and whether held solely or jointly, including the following bank accounts located at the [Bank 1] ("**[Bank 1]**") located at [Property 2], Vancouver, BC (branch transit #[redacted]) and [Bank 2] ("**[Bank 2]**") located at [Property 3], Vancouver, BC (branch transit #[redacted]):
    a. [Bank 1] account number [redacted] (Jovi Realty Security Deposit Account);
    b. [Bank 1] account number [redacted] (Jovi Realty Rental Trust Account);
    c. [Bank 1] account number [redacted] (Jovi Realty Commission Trust Account);

d. [Bank 1] account number [redacted] (Jovi Realty Trading Trust Account);

e. [Bank 1] account number [redacted] (Jovi Realty General Operating Account);

f. [Bank 2] account number [redacted] (Jovi Realty General Operating Account);

g. [Bank 1] account number [redacted] (Lighthouse Realty Security Deposit Trust Account);

h. [Bank 1] account number [redacted] (Lighthouse Realty Rental Trust Account);

i. [Bank 1] account number [redacted] (Lighthouse Realty General Trust Account);

j. [Bank 1] account number [redacted] (Lighthouse Realty Commission Trust Account); and,

k. [Bank 1] account number [redacted] (Lighthouse Realty Operating Account).

2. under section 46(3) of RESA, that [Bank 1] freeze and hold any and all accounts held on deposit for or in the name of Jovi Realty and Lighthouse Realty, whether solely or jointly, and including the following accounts held at the [Bank 1] located at [Property 2], Vancouver, BC (Branch #[redacted]):

a. [Bank 1] account number [redacted] (Jovi Realty Security Deposit Account);

b. [Bank 1] account number [redacted] (Jovi Realty Rental Trust Account);

c. [Bank 1] account number [redacted] (Jovi Realty Commission Trust Account);

d. [Bank 1] account number [redacted] (Jovi Realty Trading Trust Account);

e. [Bank 1] account number [redacted] (Jovi Realty General Operating Account);

f. [Bank 1] account number [redacted] (Lighthouse Realty Security Deposit Trust Account);

g. [Bank 1] account number [redacted] (Lighthouse Realty Rental Trust Account);

h. [Bank 1] account number [redacted] (Lighthouse Realty General Trust Account);

i. [Bank 1] account number [redacted] (Lighthouse Realty Commission Trust Account); and,

j. [Bank 1] account number [redacted] (Lighthouse Realty Operating Account).

3. under section 46(3) of RESA, that [Bank 2] freeze and hold any and all accounts held on deposit for or in the name of Jovi Realty and Lighthouse Realty, whether solely or jointly, and including the following accounts held at the [Bank 2] located at [Property 3], Vancouver, BC (branch transit #[redacted]):

a. [Bank 2] account number [redacted] (Jovi Realty General Operating Account).

with immediate effect and until such time as further order is made by the Superintendent or a court.

TAKE NOTICE that a person affected by this order may, pursuant to section 46(5) of RESA, make an application to vary or rescind this order by delivering written notice to the Superintendent at BCFSA's office: Suite 600, 750 West Pender, Vancouver, British Columbia, V6C 2T8.

This Order is made on November 5, 2025 at North Vancouver, British Columbia.

FOR BC FINANCIAL SERVICES AUTHORITY

"Original signed by Gareth Reeves"

Gareth Reeves

Hearing Officer