### THE REAL ESTATE COUNCIL OF BRITISH COLUMBIA

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

AND

### IN THE MATTER OF

# MICHAEL BRENDAN IRELAND (109210)

AND

# MICHAEL IRELAND PERSONAL REAL ESTATE CORPORATION (109210PC)

## **CONSENT ORDER**

RESPONDENTS: Michael Brendan Ireland, Representative, eXp Realty of Canada, Inc.

dba eXp Realty (Vancouver), while licensed with Colonial Realty Pacific

Ltd. dba RE/MAX Colonial Pacific Realty

Michael Ireland Personal Real Estate Corporation

DATE OF CONSENT ORDER: April 15, 2020

CONSENT ORDER REVIEW E. Duvall, Chair

COMMITTEE: M. Chan

R. Hanson

COUNSEL: Kristine Mactaggart Wright, Legal Counsel for the Real Estate Council

of BC

Wesley McMillan, Legal Counsel for

the Respondents

PROCEEDINGS:

**WHEREAS** the Proposal, a copy of which is attached hereto, has been executed by Mr. Ireland, on his own behalf and on behalf of MI PREC, and has been reviewed by the Consent Order Review Committee.

**NOW THEREFORE**, having made the findings proposed in the attached Proposal, and in particular having found that Mr. Ireland and MI PREC committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act* ("RESA") and sections 3-3(a) and (d), 3-4 and 4-8 of the Rules made under the RESA, pursuant to section 43 of the RESA the CORC orders that:

- 1. Mr. Ireland and MI PREC jointly and severally pay a discipline penalty to the Council in the amount of \$8,500 within three (3) months from the date of this Order;
- 2. Mr. Ireland, at his own expense, register for and successfully complete the Electronic Title Searching course offered by the British Columbia Real Estate Association in the time period as directed by the Council; and
- 3. Mr. Ireland and MI PREC jointly and severally pay enforcement expenses to the Council in the amount of \$1,500 within two (2) months from the date of this Order.

If Mr. Ireland and/or MI PREC fails to comply with any term of this Order, the Council may suspend or cancel their licences without further notice to them, pursuant to sections 43(3) and 43(4) of the RESA.

Dated this 15<sup>th</sup> day of April, 2020 at the City of Vancouver, British Columbia.

ON BEHALF OF THE CONSENT ORDER REVIEW COMMITTEE

"Elain Duvall"
Elain Duvall Consent Order Review Committee

Attch.

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

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#### IN THE MATTER OF

# MICHAEL BRENDAN IRELAND (109210)

#### AND

# MICHAEL IRELAND PERSONAL REAL ESTATE CORPORATION (109210PC)

## CONSENT ORDER PROPOSAL BY MICHAEL BRENDAN IRELAND AND MICHAEL IRELAND PERSONAL REAL ESTATE CORPORATION

#### **BACKGROUND AND FACTS**

This Consent Order Proposal (the "Proposal") is made by Michael Brendan Ireland ("Mr. Ireland") and Michael Ireland Personal Real Estate Corporation ("MI PREC") to the Consent Order Review Committee ("CORC") of the Real Estate Council of British Columbia (the "Council") pursuant to section 41 of the Real Estate Services Act ("RESA").

For the purposes of the Proposal, Mr. Ireland on his own behalf and on behalf of MI PREC and the Council have agreed upon the following facts:

- 1. Mr. Ireland (109210) has been licensed as a representative for trading services and for rental property management services from 1993 to 1995, and again from 1998 to 2018. Since 2018, Mr. Ireland is licensed as a representative for trading services alone.
- 2. Mr. Ireland became licensed as MI PREC in August 2015.
- 3. Mr. Ireland was at all relevant times licensed as a representative, including for trading services, with Colonial Realty Pacific Ltd. doing business as RE/MAX Colonial Pacific Realty in White Rock, British Columbia (the "Brokerage").
- 4. In June 2016, a Trustee with XXXXXXX Inc., a licensed Insolvency Trustee firm (the "Trustee") informed the Council that Mr. Ireland had acted in a transaction for the purchase and sale of a strata property located on XXXX Street in Surrey, British Columbia (the "Property"), which was negotiated without notice to or consent of the Trustee, even though the Trustee was registered on the title to the Property as an owner.

- 5. In January 2016, MI PREC was the designated agent for the person living in the Property (the "Half-Owner"), described as the seller, pursuant to a Multiple Listing Contract dated January 23, 2016 (the "Listing Contract"). The Listing Contract required the seller to agree they had authority to sell the Property. According to Mr. Ireland, the Half-Owner advised him that the Half-Owner's spouse had passed away.
- 6. Mr. Ireland attempted to verify the ownership of the Property by obtaining a title search. In accordance with his Brokerage's policy, a request was made to Mr. Ireland's real estate board to obtain a title search. The Half-Owner, alone, appeared as the owner of the Property based on the first page of the title search, in the format for the title report he received from Mr. Ireland's real estate board.
- 7. Mr. Ireland advises he failed to review subsequent pages of the title search which set out that the Trustee owned one half interest in the Property as "trustee of the estate of [...] [the Half-Owner], a bankrupt" and the other half interest in the Property as "trustee of the estate of [...] [the Half-Owner's spouse], a bankrupt".
- 8. The Property was listed and advertised on the Multiple Listing Service ("MLS").
- 9. On January 29, 2016, the Property was viewed by the buyers (the "Buyers"), together with their own real estate licensee (the "Buyer's Agent").
- 10. On February 18, 2016, the Half-Owner completed a Property Disclosure Statement ("PDS") that set out, at question 1C of the PDS, that the Half-Owner was not aware of any pending litigation or claim affecting the Property.
- 11. On March 2, 2016, the Buyers made an offer for the Property in a Contract of Purchase and Sale of the same date, which was accepted by the Half-Owner alone (the "Putative Contract").
- 12. The Putative Contract contained a possession date of April 29, 2016 and was subject to conditions including the review and approval of a title search.
- 13. On or about March 4, 2016, the Buyer's Agent contacted Mr. Ireland's assistant about the title and asked about the "estate". The presence of an "estate" on title was consistent to Mr. Ireland with his knowledge that the Half-Owner's spouse had passed away and did not raise a red flag for him, although it, like the information the Half-Owner's spouse had passed away, should have. The estate of the Half-Owner's deceased spouse could have an interest in the Property, and the legal authority to transact in the Property ought to be confirmed.
- 14. On or about March 10, 2016, the "Subject to Clause(s)" of the Putative Contract were removed by the Buyers.
- 15. On or about March 15, 2016 the listing for the Property on the MLS was removed.
- 16. On or about April 11, 2016, the Trustee contacted Mr. Ireland and notified Mr. Ireland about the Trustee's half-interest in the Property. Mr. Ireland immediately contacted all parties to the transaction to inform of this development.

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- 17. The Trustee required Mr. Ireland to meet with them in person and explain how the listing and Putative Contract for the Property occurred without their knowledge or consent. Moreover, the Trustee requested the addition of an "as is, where is" clause to the Putative Contract.
- 18. On or about April 21, 2016, the Trustee signed a Working With A Realtor Form that disclosed they had a client relationship with MI PREC, and a Multiple Listing Contract consenting to listing the Property with MI PREC, on a go forward basis.
- 19. The Buyers consented to the addition of the subject clause the Trustee requested. The revised contract for the purchase and sale of the Property was accepted and the sale of the Property completed.
- 20. Neither the Half-Owner nor the Buyers complained to the Council about their transaction for the Property, or about Mr. Ireland.
- 21. Under section 10.9 of the *Real Estate Services Regulation*, a personal real estate corporation is subject to the same discipline proceedings and other regulatory enforcement as its controlling individual.
- 22. A Notice of Discipline Hearing was issued on September 19, 2019 and served on Mr. Ireland on his own behalf and on behalf of MI PREC.
- 23. Mr. Ireland and MI PREC have a discipline history with the Council as follows:
  - a. In 2014, and as reported at 2014 CanLII 50641, Mr. Ireland consented to an order by the Council that included a reprimand for conduct in 2013, which he self-reported to the Council, where he accepted his client's money directly into his own bank account to obtain a bank draft for a required real estate deposit.
  - b. In 2016, and as reported at 2016 CanLII 90911, Mr. Ireland and MI PREC consented to an order by the Council that included a 30-day suspension and a requirement for Mr. Ireland to take the trading services remedial education course, for conduct in 2015, where Mr. Ireland had his client sign a blank listing amendment agreement to facilitate any changes required to a listing, but used the pre-signed listing amendment agreement to extend the listing without his client's consent.

### PROPOSED FINDINGS OF MISCONDUCT

For the sole purposes of the Proposal and based on the Facts outlined herein, Mr. Ireland and MI PREC propose the following findings of misconduct be made by the CORC:

- 1. Mr. Ireland and MI PREC committed professional misconduct within the meaning of section 35(1)(a) of the RESA between January and April 2016 in that they:
  - a. failed to take sufficient care to ensure they were dealing with either the registered owner of the Property or a person who had the legal authority to sell the Property, contrary to section 3-4 of the rules made under the RESA in effect at the relevant time (the "Rules");

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- failed to act in the best interests of their client the Half-Owner, or with reasonable care and skill, when they entered into the Listing Contract and Putative Contract, without the consent of the Trustee or registered owner on title for the Property, contrary to sections 3-3(a) and 3-4 of the Rules;
- c. failed to recommend that the Half-Owner obtain legal or independent professional advice about the interest in the Property of an "estate" for his deceased spouse, contrary to section 3-3(d) of the Rules; and
- d. advertised the Property without the consent of both owners or their authorized agent, contrary to section 4-8 of the Rules.

### **PROPOSED ORDERS**

Based on the Facts herein and the Proposed Findings of Misconduct, Mr. Ireland and MI PREC propose that the Notice of Discipline Hearing in this matter be resolved through the following Orders being made by the CORC, pursuant to section 43 of the RESA:

- 1. Mr. Ireland and MI PREC be jointly and severally liable to pay a discipline penalty to the Council in the amount of \$8,500 within three (3) months from the date of this Order.
- 2. Mr. Ireland, at his own expense, register for and successfully complete the Electronic Title Searching course offered by the British Columbia Real Estate Association in the time period as directed by the Council.
- 3. Mr. Ireland and MI PREC be jointly and severally liable to pay enforcement expenses to the Council in the amount of \$1,500 within two (2) months from the date of this Order.
- 4. If Mr. Ireland and MI PREC fail to comply with any of the terms of this Order, a discipline committee may suspend or cancel their licenses without further notice to them.

### **ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT**

- Mr. Ireland and MI PREC acknowledge and understand that the Council may refer or decline to refer the Proposal to the CORC. If the Proposal is referred to the CORC, it may be accepted or rejected by the CORC. If the Proposal is rejected by the CORC, the matter may be referred to a disciplinary hearing.
- 2. Mr. Ireland and MI PREC acknowledge that they have been urged and given the opportunity to seek and obtain independent legal advice with respect to the disciplinary process, the allegations contained in the Notice of Discipline Hearing, and the execution and submission of the Proposal to the CORC; and, that they have obtained independent legal advice or have chosen not to do so, and that they are making the Proposal with full knowledge of the contents and the consequences if the Proposal is accepted.
- 3. Mr. Ireland and MI PREC acknowledge and are aware that the Council will publish the Proposal and the Consent Order or summaries thereof in its Report from Council newsletter, on the

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Council's website, on CanLII, a website for legal research and in such other places and by such other means as the Council in its sole discretion deems appropriate.

- 4. Mr. Ireland and MI PREC acknowledge and are aware that the Superintendent of Real Estate has the right, pursuant to section 54 of the RESA, to appeal any decision of the Council, including any Consent Order made by the Council in relation to this matter.
- 5. Mr. Ireland and MI PREC hereby waive their right to appeal pursuant to section 54 of the RESA.
- 6. If the Proposal is accepted and/or relied upon by the Council, Mr. Ireland and MI PREC will not make any public statement(s) inconsistent with the Proposal and its contents. Nothing in this section is intended to restrict Mr. Ireland or MI PREC from making full answer and defence to any civil or criminal proceeding(s).
- 7. The Proposal and its contents are made by Mr. Ireland and MI PREC for the sole purpose of resolving the Notice of Discipline Hearing in this matter and do not constitute an admission of civil liability. Pursuant to section 41(5) of the RESA, the Proposal and its contents may not be used without the consent of Mr. Ireland and MI PREC in any civil proceeding with respect to the matter.

### "MICHAEL BRENDAN IRELAND"

MICHAEL DEFINANTED LAND

MICHAEL BRENDAN IRELAND
on his own behalf and on behalf of MICHAEL
IRELAND PERSONAL REAL ESTATE CORPORATION

Dated \_\_6th\_\_ day of \_\_April\_\_, 2020

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