#### 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

# LAURELLAI TERESE LINDSTROM (166216)

**AND** 

# LAURA LINDSTROM PERSONAL REAL ESTATE CORPORATION (166216PC)

### **CONSENT ORDER**

RESPONDENT: Laurellai Terese Lindstrom, Representative,

0808509 B.C. Ltd. dba Sutton – Showplace

Realty (2015)

Laura Lindstrom Personal Real Estate

Corporation

DATE OF REVIEW MEETING: April 3, 2019

DATE OF CONSENT ORDER: April 3, 2019

CONSENT ORDER REVIEW COMMITTEE: E. Mignosa (Chair)

E. Duvall R. Hanson N. Nicholson

ALSO PRESENT: E. Seeley, Executive Officer

D. Avren, Director, Legal Services

M. Sull, Legal Counsel for the Real Estate

Council

#### PROCEEDINGS:

On April 3, 2019, the Consent Order Review Committee (the "Committee") resolved to accept the Consent Order Proposal (the "Proposal") submitted by Laurellai Terese Lindstrom, on her own behalf and on behalf of Laura Lindstrom Personal Real Estate Corporation.

**WHEREAS** the Proposal, a copy of which is attached hereto, has been executed by Laurellai Terese Lindstrom, on her own behalf and on behalf of Laura Lindstrom Personal Real Estate Corporation.

**NOW THEREFORE**, the Committee having made the findings proposed in the attached Proposal, and in particular having found that Laurellai Terese Lindstrom and Laura Lindstrom Personal Real Estate Corporation committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act*, orders that:

- 1. Laurellai Terese Lindstrom and Laura Lindstrom Personal Real Estate Corporation each be reprimanded;
- 2. Laurellai Terese Lindstrom and Laura Lindstrom Personal Real Estate Corporation be jointly and severally liable to pay a discipline penalty to the Council in the amount of \$1,500 within ninety (90) days from the date of this Order;
- Laurellai Terese Lindstrom, at her own expense, register for and successfully complete the Real Estate Trading Services Remedial Education Course, as provided by Sauder School of Business at the University of British Columbia in the time period as directed by the Council; and
- 4. Laurellai Terese Lindstrom or Laura Lindstrom Personal Real Estate Corporation be jointly and severally liable to pay enforcement expenses to the Council in the amount of \$1,500 within sixty (60) days from the date of this Order.

If Laurellai Terese Lindstrom or Laura Lindstrom Personal Real Estate Corporation 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 *Real Estate Services Act*.

Dated this 3<sup>rd</sup> day of April, 2019, at the City of Vancouver, British Columbia.

ON BEHALF OF THE CONSENT ORDER REVIEW COMMITTEE

"Elana Mignosa"

Elana Mignosa

Consent Order Review Committee

Attch.

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

#### AND

#### IN THE MATTER OF

### LAURELLAI TERESE LINDSTROM (166216)

#### AND

### LAURA LINDSTROM PERSONAL REAL ESTATE CORPORATION (166216PC)

### CONSENT ORDER PROPOSAL BY LAURELLAI TERESE LINDSTROM AND LAURA LINDSTROM PERSONAL REAL ESTATE CORPORATION

#### **BACKGROUND AND FACTS**

This Consent Order Proposal (the "Proposal") is made by Laurellai Terese Lindstrom ("Ms. Lindstrom") and Laura Lindstrom Personal Real Estate Corporation ("LLPREC"), to the Consent Order Review Committee (the "Committee") 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, Ms. Lindstrom on her own behalf and on behalf of LLPREC, and the Council have agreed upon the following facts:

- 1. Ms. Lindstrom (166216) has been licensed as a real estate trading representative since 2013.
- 2. Ms. Lindstrom became licensed as LLPREC on November 25, 2016.
- 3. Ms. Lindstrom was at all relevant times licensed as a real estate trading representative with 0808509 B.C. Ltd. doing business as Sutton Showplace Realty (2015).
- 4. At all relevant times, Ms. Lindstrom represented the buyers (the "Buyers") of a residential property located on Teskey Road in Chilliwack, British Columbia (the "Property") in the purchase of the Property.
- 5. The Property appeared to be a detached home, but was a bare land strata lot in that it shared a foundation with a neighbouring property.
- 6. The MLS Listing for the Property incorrectly listed the Property as a non-strata freehold property.

- 7. On June 15, 2016, the Buyers entered into a Contract of Purchase and Sale with sellers of the Property. The Buyers' offer was subject to a number of conditions, including approval of the Property Disclosure Statement ("PDS") and title on or before June 27, 2016.
- 8. On June 20, 2016, Ms. Lindstrom reviewed the title search, which indicated the Property was a strata lot, with the Buyers. However, Ms. Lindstrom failed to notice or advise the Buyers of this fact.
- 9. On the same date, Ms. Lindstrom also reviewed the PDS with the Buyers. The sellers had only completed a PDS form for a residential property and did not also complete a PDS form for a bare land strata lot as required.
- 10. The Buyers initialed each page of the title search and PDS.
- 11. On June 27, 2016, the Buyers removed all subjects.
- 12. The Buyers assert that when they removed subjects, they were not aware that the Property was a bare land strata lot.
- 13. On July 20, 2016, the Buyers received a site plan from the City of Chilliwack and discovered that the Property was a bare land strata lot.
- 14. On or about July 24, 2016, Ms. Lindstrom and her managing broker offered to help the Buyers get out of the Contract of Purchase and Sale, but the Buyers wanted to complete the transaction.
- 15. On August 4, 2016, the transaction completed and title transferred to the Buyers.
- 16. On or about August 29, 2016, Ms. Lindstrom's managing broker met with the Buyers who advised him that they believed they had overpaid for the Property.
- 17. Ms. Lindstrom and the listing agent offered to settle the matter with the Buyers in exchange for a signed general release, but the Buyers did not accept this conditional offer.
- 18. A Notice of Discipline Hearing was issued on December 7, 2018 and served on Ms. Lindstrom on her own behalf and on behalf of LLPREC.
- 19. Ms. Lindstrom and LLPREC have no prior discipline history.

#### PROPOSED FINDINGS OF MISCONDUCT

For the sole purposes of the Proposal and based on the facts outlined herein, Ms. Lindstrom and LLPREC propose the following findings of misconduct be made by the Committee:

 Ms. Lindstrom and LLPREC committed professional misconduct within the meaning of section 35(1)(a) of the RESA in that while acting as the agent for the Buyers of the Property, Ms. Lindstrom failed to use reasonable efforts to discover and advise the Buyers that the Property was a strata property, contrary to sections 3-3(a) [duty to act in best interests of client], 3-4 [duty to act with reasonable care and skill] and 3-3(h) [duty to use reasonable efforts to discover relevant facts respecting real estate] of the Rules.

#### **PROPOSED ORDERS**

Based on the facts herein and the Proposed Findings of Misconduct, Ms. Lindstrom and LLPREC propose that the Notice of Discipline Hearing in this matter be resolved through the following Orders being made by the Committee, pursuant to section 43 of the RESA:

- 1. Ms. Lindstrom and LLPREC be reprimanded.
- 2. Ms. Lindstrom and LLPREC be jointly and severally liable to pay a discipline penalty to the Council in the amount of \$1,500 within ninety (90) days of the date of this Order.
- 3. Ms. Lindstrom, at her own expense, register for and successfully complete the Real Estate Trading Services Remedial Education Course as provided by the Real Estate Division, Sauder School of Business at the University of British Columbia in the time period as directed by the Council.
- 4. Ms. Lindstrom and LPREC be jointly and severally liable to pay enforcement expenses to Council in the amount of \$1,500 within sixty (60) days from the date of this Consent Order.
- 5. If Ms. Lindstrom and LLPREC fail to comply with any of the terms of this Order, a Discipline Committee may suspend or cancel Ms. Lindstrom and LLPREC's licences without further notice to them.

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

- Ms. Lindstrom and LLPREC acknowledge and understand that the Council may refer or decline to refer the Proposal to the Committee. If the Proposal is referred to the Committee, it may be accepted or rejected by the Committee. If the Proposal is rejected by the Committee, the matter may be referred to a disciplinary hearing.
- 2. Ms. Lindstrom and LLPREC have been advised of and understand their right to obtain independent legal advice regarding the disciplinary process, including with respect to the execution and submission of the Proposal.
- 3. Ms. Lindstrom and LLPREC 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 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. Ms. Lindstrom and LLPREC 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. Ms. Lindstrom and LLPREC hereby waive their right to appeal pursuant to section 54 of the RESA.

6. The Proposal and its contents are made by Ms. Lindstrom and LLPREC 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 Ms. Lindstrom and LLPREC in any civil proceeding with respect to the matter.

"Laurellai Terese Lindstrom"

LAURELLAI TERESE LINDSTROM on her own behalf and on behalf of Laura Lindstrom Personal Real Estate Corporation

Dated 4th day of March, 2019