

**BC FINANCIAL SERVICES AUTHORITY**

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

**AND**

**IN THE MATTER OF**

**JOEL PATRICK O'REILLY  
(151162)**

**AND**

**JOEL O'REILLY PERSONAL REAL ESTATE CORPORATION  
(151162PC)**

**AND**

**DENISE ANNE BRYNELSEN  
(138787)**

**AND**

**DENISE BRYNELSEN PERSONAL REAL ESTATE CORPORATION  
(138787PC)**

**NOTICE OF DISCIPLINE HEARING**

**[This Notice has been redacted before publication.]**

To: Joel Patrick O'Reilly  
Joel O'Reilly Personal Real Estate  
Corporation  
c/o RLPS Limited Partnership  
dba Royal LePage Sussex (Sechelt)  
5561 Wharf Road, Box 979,  
Sechelt British Columbia V0N 3A0

To: Denise Anne Brynelsen  
Denise Brynelsen Personal Real Estate  
Corporation  
c/o RLPS Limited Partnership  
dba Royal LePage Sussex (Sechelt)  
5561 Wharf Road, Box 979,  
Sechelt British Columbia V0N 3A0

**TAKE NOTICE** that the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority ("BCFSA") will hold a discipline hearing under Part 4 of the *Real Estate Services Act* ("RESA") on

**October 7-11, 2024 commencing at 9:30 am** in the virtual Hearing Room at BCFSAs offices located at **600 – 750 West Pender Street, Vancouver, British Columbia** to determine whether your conduct contravened the RESA, the *Real Estate Services Regulation* (the “Regulation”), or the *Real Estate Services Rules* (the “Rules”).

**AND TAKE NOTICE** that the allegations against **Joel Patrick O’Reilly (“Mr. O’Reilly”) and Joel O’Reilly Personal Real Estate Corporation (“O’Reilly PREC”)** are as follows:

1. Mr. O’Reilly and O’Reilly PREC committed professional misconduct within the meaning of section 35(1)(a) of RESA when acting as limited dual agent in 2017 in the purchase and sale of a waterfront property located at [Property 1], Pender Harbour, BC (the “Property”) which completed on November 15, 2017, and in circumstances where he knew or ought to have known (1) the Property contained a cabin and dock on the Property’s foreshore which was subject to the Crown’s jurisdiction; (2) the cabin was not permitted by the Crown as a permanent residence; and (3) a notice from the Crown dated January 31, 2017 stated the cabin on the Property was unlawful and non-conforming (the “Notice”):
  - a. he advertised the Property with false and/or misleading representations in that he described the Property as “freehold nonstrata” with the sellers being “registered owners” and using phrases “completely renovated beach cottage” and “year round deep water moorage” but failing to represent that the cabin was for seasonal use only, was located on Crown foreshore tenure, and that the tenure was expired, contrary to section 41 [*false or misleading advertising prohibited*] (formerly section 4-7), section 33 [*duty to act honestly*] and section 34 [*duty to act with reasonable care and skill*] (formerly section 3-4) of the Rules.
  - b. knowing a permanent residence was an essential feature for the buyers, he failed to follow up on the Notice and/or do any independent verification regarding the legality and/or permitted use of the cabin, contrary section 30(h) [*use reasonable efforts to discover relevant facts respecting real estate*] (formerly section 3-3(h)) and section 34 (*duty to act with reasonable care and skill*) (formerly section 3-4) of the Rules;
  - c. he failed to disclose to the buyers all material information regarding the Property when he failed to disclose:
    - i. the cabin was located in the Crown foreshore and was subject to Crown jurisdiction;
    - ii. the foreshore tenure was subject to a 5-year lease which had expired;
    - iii. the cabin was an unlawful and non-conforming use of the Crown foreshore as determined by the Crown and outlined in the Notice; and
    - iv. the cabin was not permitted by the Crown to be used as a permanent residence,  
  
contrary to section 30(f) [*disclose all known material information respecting the real estate*] (formerly section 3-3(f)) of the Rules;
  - d. he failed to disclose a material latent defect regarding the Property prior to the buyers entering into a contract of purchase and sale, namely that the cabin on the Property was unlawful and was a non-conforming use on Crown foreshore, contrary

to section 59(2) [*disclose material latent defect in the real estate*] (formerly section 5-13(2) and sections 33 [*act honestly*] and 34 [*act with reasonable care and skill*] (formerly section 3-4) of the Rules;

e. on September 25, 2017 he provided to the buyers a Property Disclosure Statement completed by the seller on August 17, 2016 containing false and/or misleading statements in that:

- i. the seller answered “no” to question 1A as to encroachments on the Property, when the cabin was a structural encroachment on the Crown foreshore;
- ii. the seller answered “no” to question 1E as to any notice of claim affecting the premises from any person or public body, when the sellers had received notices from the Crown that the cabin was not permitted as a permanent residence and that it was unlawful and non-conforming;
- iii. the seller answered “no” to question 3Q as to unauthorized accommodation, when the sellers had received notice from the Crown that the cabin was unlawful and non-conforming; and
- iv. the seller answered “no” to question 4B as to material latent defects, when the cabin’s unlawful and non-conforming status on the Crown foreshore constituted a material latent defect,

contrary to sections 33 [*duty to act honestly*] and 34 [*duty to act with reasonable care and skill*] (formerly section 3-4) of the Rules; and

f. he provided the buyers with false and/or misleading and/or inaccurate information when:

- i. he represented to the buyers the cabin on Property was “legal non-conforming” when the cabin was in fact unlawful and non-conforming use of the Crown foreshore; and
- ii. he provided the buyers an email on September 21, 2017 attaching a copy of the seller’s foreshore tenure agreement with the Crown dated June 30, 2010 (“Specific Permission Agreement”) stating that “it never expires and doesn’t need renewing” which was false and inaccurate in that it had a 5-term which had expired and not been renewed,

contrary sections 33 [*duty to act honestly*] and 34 [*duty to act with reasonable care and skill*] (formerly section 3-4) of the Rules.

**AND TAKE NOTICE** that the allegations against **Denise Anne Brynelsen (“Ms. Brynelsen”) and Denise Brynelsen Personal Real Estate Corporation (“Brynelsen PREC”)** are as follows:

1. Ms. Brynelsen and Brynelsen PREC committed professional misconduct within the meaning of section 35(1)(a) of RESA when acting as limited dual agent in 2017 in the purchase and sale of a waterfront property located at [Property 1], Pender Harbour, BC (the “Property”) which completed on November 15, 2017, and in circumstances where she knew or ought to have known (1) the Property contained a

cabin and dock on the Property's foreshore which was subject to the Crown's jurisdiction; (2) the cabin was not permitted by the Crown as a permanent residence; and (3) a notice from the Crown dated January 31, 2017 stated the cabin on the Property was unlawful and non-conforming (the "Notice"):

- a. she advertised the Property with false and/or misleading representations in that she described the Property as "freehold nonstrata" with the sellers being "registered owners" and using phrases "completely renovated beach cottage" and "year round deep water moorage" but failing to represent that the cabin was for seasonal use only, was located on Crown foreshore tenure, and that the tenure was expired, contrary to section 41 [*false or misleading advertising prohibited*] (formerly section 4-7), section 33 [*duty to act honestly*] and section 34 [*duty to act with reasonable care and skill*] (formerly section 3-4) of the Rules.
- b. knowing a permanent residence was an essential feature for the buyers, she failed to follow up on the Notice and/or do any independent verification regarding the legality and/or permitted use of the cabin, contrary section 30(h) [*use reasonable efforts to discover relevant facts respecting real estate*] (formerly section 3-3(h)) and section 34 (*duty to act with reasonable care and skill*) (formerly section 3-4) of the Rules;
- c. she failed to disclose to the buyers all material information regarding the Property when [s]he failed to disclose:
  - i. the cabin was located in the Crown foreshore and was subject to Crown jurisdiction;
  - ii. the foreshore tenure was subject to a 5-year lease which had expired;
  - iii. the cabin was an unlawful and non-conforming use of the Crown foreshore as determined by the Crown and outlined in the Notice; and
  - iv. the cabin was not permitted by the Crown to be used as a permanent residence,  
  
contrary to section 30(f) [*disclose all known material information respecting the real estate*] (formerly section 3-3(f)) of the Rules;
- d. she failed to disclose a material latent defect regarding the Property prior to the buyers entering into a contract of purchase and sale, namely that the cabin on the Property was unlawful and was a non-conforming use on Crown foreshore, contrary to section 59(2) [*disclose material latent defect in the real estate*] (formerly section 5-13(2) and sections 33 [*act honestly*] and 34 [*act with reasonable care and skill*] (formerly section 3-4) of the Rules; and
- e. on September 25, 2017 she provided to the buyers a Property Disclosure Statement completed by the seller on August 17, 2016 containing false and/or misleading statements in that:
  - i. the seller answered "no" to question 1A as to encroachments on the Property, when the cabin was a structural encroachment on the Crown foreshore;

- ii. the seller answered “no” to question 1E as to any notice of claim affecting the premises from any person or public body, when the sellers had received notices from the Crown that the cabin was not permitted as a permanent residence and that it was unlawful and non-conforming;
- iii. the seller answered “no” to question 3Q as to unauthorized accommodation, when the sellers had received notice from the Crown that the cabin was unlawful and non-conforming;
- iv. the seller answered “no” to question 4B as to material latent defects, when the cabin’s unlawful and non-conforming status on the Crown foreshore constituted a material latent defect,

contrary to sections 33 [*duty to act honestly*] and 34 [*duty to act with reasonable care and skill*] (formerly section 3-4) of the Rules.

**AND FURTHER TAKE NOTICE** that if the Superintendent finds you committed professional misconduct, the Superintendent must make an order against you, and may also order you to pay enforcement expenses incurred by BCFSa, under sections 43 and 44 of the RESA.

**AND FURTHER TAKE NOTICE** that if you do not attend the discipline hearing, the Superintendent 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 3 day of November 2023 at the City of Vancouver, British Columbia.

Superintendent of the BC Financial Services Authority

“Original signed by Jonathan Vandall”

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Jonathan Vandall  
Delegate of the Superintendent of Real Estate  
Province of British Columbia