



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

September 19, 2018

Financial and Corporate Sector Policy Branch
Ministry of Finance
PO Box 9418 Stn Prov Govt
Victoria, BC V8W 9V1
Submitted by email: fcsp@gov.bc.ca

RE: *Land Owner Transparency Act (LOTA) White Paper*

At a high level, the British Columbia Real Estate Association (BCREA) supports measures that improve transparency in real estate transactions. While we appreciate the opportunity to comment on this draft legislation, it is complex and cannot be fully understood without the details that will be contained in the accompanying regulation.

With the information we have so far, we see that *LOTA* will increase the time—and, therefore, the cost—of real estate conveyance for transactions involving applicable trusts and corporations. The “reasonable efforts” required of reporting bodies may be extensive and time consuming, and we expect more guidance will be provided regarding what is meant by “reasonable efforts.”

We appreciate that the draft legislation considers the issue of privacy, but further thought is needed on this front. For example, some landlords who hire licensed property managers prefer the anonymity that comes from that arrangement. This is especially important in cases where difficult tenants have been evicted and may seek retribution.

Publishing names at all reminds BCREA of our long-standing request for REALTORS® to once again have access to name data on BC Assessment rolls. For many years, REALTORS® accessed this information through a data exchange agreement with BC Assessment, and then the names were removed from this resource in 1998 for privacy reasons. Posting names to a publicly-accessible registry seems to run counter to that decision. If the proposed registry is implemented, will there be a penalty for people who use the data for marketing or harassment, as seen in s. 69 of the *Assessment Act*?

Use of and access to information in records

69 (1) Subject to the requirements of this section and section 68 and any prescribed limits on the fees that may be charged, if this Act, or a regulation under this Act, requires or

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authorizes the disclosure or public inspection or other use of or access to a record, including an assessment roll, a person may obtain a copy of the record or assessment roll on payment of any fee that may be set for the copy by the assessment authority or by the chair of the board, as the case may be.

- (2) A person must not, directly or indirectly, use the assessment roll or information contained in the assessment roll or a record referred to in subsection (1) as follows:
 - (a) to obtain names, addresses or telephone numbers for solicitation purposes, whether the solicitations are made by telephone, mail or any other means;
 - (b) to harass an individual;
 - (c) for other uses or purposes specified by regulation.
- (3) A person who wishes to inspect or obtain a copy of a record referred to in subsection (1) may be required to complete a declaration in the prescribed form
 - (a) specifying the purpose for which the information is to be used, and
 - (b) certifying that the information contained in the record will not be used in a manner prohibited under subsection (2).
- (4) A person who contravenes subsection (2) commits an offence.

As we understand it, all property owners will be impacted because everyone will have to complete a transparency declaration, to note whether disclosure requirements are triggered. Our biggest concern on this front is with the initial implementation: will all existing property owners have to file transparency declarations by a given date? If so, will the Land Title and Survey Authority have the capacity to process that volume of declarations?

Since February 2018, the BC Government has introduced the following transparency initiatives:

- *LOTA White Paper*,
- Information Collection Regulation, under the *Property Transfer Tax Act*, which requires additional information to be reported through the Property Transfer Tax return by individuals with significant interest in a corporation or trust that acquires property, and
- *Real Estate Development Marketing Amendment Act 2018*, which will require developers to collect and report comprehensive information about the assignment of pre-sale condominium purchases.

With the effort involved to make all of these disclosures, causing increased time and cost, BCREA wants to see the government get the most value out of the data. To that end, we ask for more information about how these measures will be coordinated and the data aggregated. Ideally, a comprehensive approach will also include a public evaluation component to determine whether the measures have been effective.

Finally, we urge the government to develop and implement *LOTA* with care. The real estate market has been subject to a staggering number of legislative and policy changes since 2016, resulting in significant frustration and confusion for professionals and consumers. The circulation of this white paper indicates an intention to avoid unintended negative consequences, and BCREA welcomes further opportunities to provide input as *LOTA* and its supporting regulation take shape.

Please contact me directly if BCREA can be of assistance (dhyde@bcrea.bc.ca; 604.742.2787).

BCREA is the professional association for about 23,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that encourage economic vitality, provide housing opportunities, respect the environment and build communities with good schools and safe neighbourhoods.

Sincerely,

Darlene Hyde
Chief Executive Officer

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