

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act for the relief of Paul R. DesRoches II.*

3 [H 1376]

4 Approved

5 Whereas, Paul R. DesRoches II (Mr. DesRoches) entered into a property management agreement with
6 Apple Real Estate, a Virginia corporation; and7 Whereas, on December 1, 2009, Mr. DesRoches terminated the management agreement with Apple
8 Real Estate effective January 1, 2010; and9 Whereas, despite the termination, Apple Real Estate continued to collect rent from tenants and never
10 submitted any additional payments to Mr. DesRoches; and11 Whereas, the total amount of rent payments that were fraudulently collected by Apple Real Estate
12 reached \$25,000; and13 Whereas, on April 25, 2012, Mr. DesRoches obtained a judgment against Apple Real Estate in the
14 amount of \$26,304.84; and15 Whereas, despite taking action to enforce the judgment, including conducting debtor interrogatories,
16 Mr. DesRoches was unsuccessful, as Apple Real Estate had gone out of business; and17 Whereas, the Virginia Real Estate Transaction Recovery Act (the Act) established the Real Estate
18 Transaction Recovery Fund to provide relief to persons who have incurred losses through the improper
19 or dishonest conduct of a licensed real estate salesperson, broker, or firm; and20 Whereas, qualified claimants have been awarded judgments in courts of competent jurisdiction in the
21 Commonwealth of Virginia that are based on improper or dishonest conduct; and22 Whereas, "improper or dishonest conduct" is defined in § 54.1-2112 of the Code of Virginia as
23 including "only the wrongful and fraudulent taking or conversion of money, property, or other things of
24 value or material misrepresentation or deceit"; and25 Whereas, in December 2012, Mr. DesRoches submitted a claim under the Act to recover the amount
26 of the unpaid judgment he had obtained against Apple Real Estate; and27 Whereas, in March 2013, the Virginia Real Estate Board (the Board) notified Mr. DesRoches that his
28 claim had been denied because the judgment he had been awarded did not include the words "improper
29 or dishonest conduct" on the face of the judgment order; and30 Whereas, while the factual basis for the judgment supported detailed conduct that is included under
31 the codified definition of "improper or dishonest conduct," the judgment order did not include the words
32 "improper or dishonest conduct," causing the Board to conclude that the claim did not meet the
33 requirements of the Act and therefore had to be denied; and34 Whereas, in 2015, the General Assembly amended the Act to provide a means for the Board to
35 determine what constitutes improper or dishonest conduct based on the facts of the case if the judgment
36 order is otherwise silent, rather than be forced to deny a claimant relief because the claimant's attorney
37 or the judge failed to use the correct words; and38 Whereas, the amendments to the Act could not be used to retroactively approve the claim previously
39 denied by the Board; and40 Whereas, Mr. DesRoches has no other means to obtain adequate relief except by action of this body;
41 now, therefore,42 **Be it enacted by the General Assembly of Virginia:**43 1. § 1. *That the Virginia Real Estate Board is directed to pay from the Virginia Real Estate Transaction*
44 *Recovery Fund the sum of \$20,000 for the relief of Paul R. DesRoches II, to be paid upon execution of*
45 *a release of all claims Mr. DesRoches may have against the Commonwealth or any agency,*
46 *instrumentality, office, employee, or political subdivision in connection with the aforesaid occurrence.*