

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

AND

SHARON RONG HUANG

CONSENT ORDER

[This Order has been redacted before publication.]

RESPONDENTS: Sharon Rong Huang

DATE OF CONSENT ORDER: November 24, 2022

PROCEEDINGS:

On November 24, 2022, the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority ("BCFSA") accepted the Consent Order Proposal (the "Proposal") submitted by Sharon Rong Huang.

WHEREAS the Proposal, a copy of which is attached hereto, has been executed by Sharon Rong Huang.

NOW THEREFORE, having made the findings proposed in the attached Proposal, and found that Sharon Rong Huang provided rental property management services in British Columbia for remuneration without being licensed to do so under the provisions of the *Real Estate Services Act* ("RESA") and without being otherwise exempt from licensing requirements under the RESA, contrary to section 3(1) of the RESA, pursuant to sections 48(4)(d) and 49 of the RESA, the Superintendent orders that:

1. Sharon Rong Huang pay a penalty to BCFSA in the amount of \$20,000 immediately payable from the date of this Order, pursuant to section 49(2)(d)(i) of the RESA;
2. Sharon Rong Huang pay enforcement expenses to BCFSA in the amount \$5,000 immediately payable from the date of this Order, pursuant to section 49(2)(c) of the RESA; and
3. Sharon Rong Huang cease offering or providing unlicensed rental property management services as that term is defined in the RESA until such time as she is licensed to provide rental property management services in accordance with the RESA.

An amount ordered to be paid under sections 49(2)(c), (d), or (e) of the RESA is a debt owing to BCFSFA and may be recovered as such.

Dated this 24th day of November 2022 at the Brentwood Bay, British Columbia.

Superintendent of the BC Financial Services Authority

“JONATHAN VANDALL”

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

Attachment – Consent Order Proposal submitted by Sharon Rong Huang

BC FINANCIAL SERVICES AUTHORITY

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

IN THE MATTER OF

Sharon Rong HUANG

CONSENT ORDER PROPOSAL BY SHARON RONG HUANG

BACKGROUND AND FACTS

This Consent Order Proposal (the "Proposal") is made by Sharon Rong Huang ("Ms. Huang") to the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority (the "BCFSA") pursuant to section 41 of the *Real Estate Services Act* (the "Act").

For the purposes of the Proposal, Ms. Huang and the Superintendent have agreed upon the following facts:

1. Ms. Huang has never held a licence under the Act to provide real estate services in British Columbia and has never met the criteria to be exempted under the Act or the Regulations.
2. An investigation into Ms. Huang's activities was initiated because of a complaint received by the Office of the Superintendent of Real Estate ("OSRE") on November 19, 2018 (now the BCFSA) by the husband of an owner of a property for which Ms. Huang [had] provided rental property management services.
3. The investigation revealed that Ms. Huang had been holding herself out as qualified to provide real estate services and had provided real estate services in expectation of remuneration for at least four residential properties.

Property 1: [Property 1], Vancouver, BC ("Property 1")

4. Property 1 is owned by [Individual 1] ("[Individual 1]"). Her husband is [Individual 2] ("[Individual 2]") who made the initial complaint against Ms. Huang.
5. [Individual 1] and [Individual 2] are non-Canadian residents. [Individual 1] purchased Property 1 in 2018 and needed someone who could act as a property manager for them for Property 1.
6. A builder who [Individual 1] and [Individual 2] knew, [Individual 3], recommended to them that Ms. Huang, who he believed was a licenced property manager who had worked for [Brokerage 1] for a number of years, could act as their property manager.
7. [Individual 2] and [Individual 1] met with Ms. Huang on August 2, 2018 and she agreed to provide property management services for Property 1. Later Ms. Huang wrote and provided a Property Management Agreement (the "Agreement") which Agreement stated: that she would provide tenant screening, draft lease agreement, provide move in/out condition inspection, rent increase, collecting security deposit and posted date rent cheques. She would also be the contact for the tenant and deal with any repair issues. The fee for her service was to be one month rent for a one year lease.
8. Ms. Huang found a tenant for Property 1, leased Property 1, and obtained a damage deposit, pet deposit and first rent payment. However, Ms. Huang did not provide [Individual 2] or [Individual 1] with the deposits or rent despite them requesting her to do so.

9. Due to this failure, [Individual 2] and [Individual 1] terminated the Agreement and found a new property manager to take over for Ms. Huang.
10. [Individual 2] made a complaint to OSRE about Ms. Huang on November 19, 2018 due to his inability to get the deposit and rent payments from Ms. Huang, or the keys and handover materials to provide to their new property manager.
11. Ms. Huang eventually returned the rent and deposits to the owner [Individual 1] after deducting an \$1800 fee for her services.

Property 2: [Property 2], Vancouver, BC (“Property 2”)

12. When [Individual 2] and [Individual 1] were considering hiring Ms. Huang they asked Ms. Huang for a list of properties she was managing at that time so they could drive around and look at them. Ms. Huang provided [Individual 2] and [Individual 1] with a list of three properties she currently managed. The list provided to [Individual 2] and [Individual 1] included Property 2.
13. Investigators contacted the owners of all three properties provided by Ms. Huang, but only the owner of Property 2 replied.
14. The owner of Property 2 is [Individual 4] (“[Individual 4]”). She owns the house, lives upstairs but rents out the basement. [Individual 4] needed help to find tenants to rent her basement and was provided Ms. Huang’s name from friends. [Individual 4] contacted Ms. Huang and Ms. Huang agreed to act for [Individual 4]. Ms. Huang found a tenant for the property, which included arranging to show the property and doing some background checks on the tenant’s occupation. Ms. Huang also [filled] out the tenancy agreement, which commenced on August 1, 2018. On the tenancy agreement Ms. Huang put her name as the landlord, along with [Individual 4]’s son, and Ms. Huang put her own telephone number as the address for service.
15. Ms. Huang also found a tenant for [Individual 4] for the following year, for a tenancy commencing on August 16, 2019.
16. [Individual 3] told investigators that she gave to Ms. Huang \$1600 for her services, but did so as a gift.

Property 3: [Property 3], Surrey, BC (“Property 3”)

17. The investigator submitted a request for records from the Residential Tenancy Branch (“RTB”) to determine if Ms. Huang was involved in any matters with the RTB. The RTB replied with records showing Ms. Huang’s involvement with two rental properties, [Property 3], Surrey, BC (Property 3) and [Property 4], Surrey, BC (Property 4).
18. At all material times Ms. Huang did not own Property 3, it was owned by [Individual 5].
19. Documents provided by the RTB show that Ms. Huang was acting as the property manager for Property 3 from at least April 6, 2013 through to at least May 31, 2016.
20. [Tenant 1], who was a tenant of Property 3 from April 6, 2013 to May 31, 2016, added the following information: she found Property 3 through a Craigslist advert; she met Ms. Huang at Property 3 for the showing; Ms. Huang told her that she was the property manager; she knew that Ms. Huang was not the owner and the owner lived in China; she agreed to rent the property at the showing with Ms. Huang and gave to Ms. Huang the security deposit in cash.

Property 4: [Property 4], Surrey, BC (“Property 4”)

21. Documents provided by the RTB show that Ms. Huang acted as the property manager for Property 4 from at least August 2013, as evidenced by a tenancy agreement, until January 2014 where Ms. Huang had provided and signed a tenant ledger for Property 4.
22. At all material times Ms. Huang did not own Property 4, it was owned by [Individual 6] since July 26, 2013.

Other Information

23. During the investigation, Ms. Huang initially responded to emails sent to her by investigators, but eventually stopped responding and would not provide information and documents requested from her.
24. In her responses, Ms. Huang denied providing rental property management services when she knew that this was not true.
25. Ms. Huang initially agreed to attend an interview, as requested and on a date agreed upon, on May 29, 2019. She did not attend that interview and would not agree to a new interview before she ceased to respond to the investigator.
26. A Notice of Discipline Hearing was issued on June 21, 2021 and served on Ms. Huang.
27. As Ms. Huang has never held a licence under the Act there is no previous discipline history, however, Ms. Huang was subject to a previous complaint and investigation in 2014/2015 in relation to [Company 1] (“[Company 1]”). [Company 1] was a B.C. Registered company of which Ms. Huang was a director. At the time [Company 1], which was not licensed under the Act, had a website which was offering trading and rental property management real estate services to the public in expectation of remuneration. The matter was resolved by [Company 1] agreeing to take down the website which it did. Later, in 2016, [Company 1] was dissolved.

PROPOSED FINDINGS OF MISCONDUCT

For the sole purposes of the Proposal and based on the Facts outlined herein, Sharon Rong Huang (“Ms. Huang”) proposes the following findings of misconduct be made by the Superintendent:

1. Ms. Huang provided rental property management services in British Columbia without being licensed to do so under the provisions of the *Real Estate Services Act* (the “Act”) and without being otherwise exempt from licensing under the Act, contrary to section 3(1) of the Act, when she engaged in one or more of the following activities in relation to each of the four properties described above (the “Properties”):
 - a. provided trading services in relation to the rental property including finding tenants for the property;
 - b. collected rents or security deposits for the use of the real estate;
 - c. managed the real estate on behalf of the owners by:
 - i. making payments to third parties;
 - ii. negotiating or entering into tenancy agreements; or
 - iii. managing landlord and tenant matters.
2. Ms. Huang received remuneration in exchange for the rental property management services described in paragraph (1), in relation to some or all of the Properties.
3. Ms. Huang withheld, concealed, or refused to provide information that was reasonably required for the purposes of the investigation, contrary to section 37(4) of the Act, in that she:
 - a. stated in her September 27, 2019 and October 9, 2019 written responses to Staff of the Superintendent of Real Estate (“Staff”) that she had not provided rental property management services to the owners of two of the Properties, when that statement was not true; and
 - b. failed to attend an interview despite requests from Staff.

PROPOSED ORDERS

Based on the facts herein and the Proposed Findings of Misconduct, Sharon Rong Huang, proposes that the Notice of Discipline Hearing in this matter be resolved through the following Orders being made by the Superintendent, pursuant to section 49 of the Act:

1. Sharon Rong Huang pay a discipline penalty to the BCFSA in the amount of \$20,000 immediately payable from the date of this Order for providing rental property management services in British Columbia without being licensed to do so;
2. Sharon Rong Huang pay enforcement expenses to BCFSA in the amount of \$5,000 immediately payable from the date of this Order; and
3. Sharon Rong Huang cease offering or providing unlicensed rental property management services as that term is defined in the Act until such time as she is licensed to provide rental property management services in accordance with the act.
4. All amounts are immediately due and payable, and all payments must be made by cheque, bank draft or money order payable to BC Financial Services Authority. This order may be filed with the court pursuant to the Act, and steps to enforce this order may be taken if payment is not made in full within 30 calendar days.

ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT

1. Sharon Rong Huang acknowledges and understands that the Superintendent may accept or reject the Proposal. If the Proposal is rejected by the Superintendent, the matter may be referred to a disciplinary hearing.
2. Sharon Rong Huang acknowledges 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 Superintendent; and, that they have obtained independent legal advice or has 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. Sharon Rong Huang acknowledges and is aware that BCFSA will publish the Proposal and the Consent Order or summaries thereof on BCFSA's website, on CanLII, a website for legal research and in such other places and by such other means as BCFSA in its sole discretion deems appropriate.
4. Sharon Rong Huang hereby waives their right to appeal pursuant to section 54 of the RESA.
5. If the Proposal is accepted and/or relied upon by the Superintendent, Sharon Rong Huang will not make any public statement(s) inconsistent with the Proposal and its contents. Nothing in this section is intended to restrict Sharon Rong Huang from making full answer and defence to any civil or criminal proceeding(s).
6. Sharon Rong Huang acknowledges and is aware that the Superintendent is not bound to accept any application for relicensing or renewal of their licence. Sharon Rong Huang must always satisfy the Superintendent that they meet the requirements for a licence in section 10 of the RESA, and any Rules, regulations, bylaws or other instruments made pursuant to the RESA.

7. The Proposal and its contents are made by Sharon Rong Huang 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 Sharon Rong Huang in any civil proceeding with respect to the matter.

"Sharon Rong Huang"

SHARON RONG HUANG

Dated 15th day of November, 2022