

THE BC FINANCIAL SERVICES AUTHORITY

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

AND

**IN THE MATTER OF
BONCENT PROPERTIES LTD.,**

YAN (LILY) CHEN

AND

ZHENWEI (KEVIN) LIU

CONSENT ORDER

RESPONDENTS: Boncent Properties Ltd.
Yan (Lily) Chen and Zhenwei (Kevin) Liu, Directors, Boncent Properties Ltd.

DATE OF CONSENT ORDER: July 6, 2022

COUNSEL: Amandeep Sandhu, Legal Counsel for the BC Financial Services Authority
Lisa Ridgedale and Marie Turcott, Legal Counsel for the Respondents

PROCEEDINGS:

On July 6, 2022, the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority ("BCFSA") accepted the Consent Order Proposal (the "Proposal") submitted by Boncent Properties Ltd., Yan (Lily) Chen and Zhenwei (Kevin) Liu.

WHEREAS the Proposal, a copy of which is attached hereto, has been executed by Yan (Lily) Chen and Zhenwei (Kevin) Liu on each of their own behalf and on behalf of Boncent Properties Ltd.

NOW THEREFORE, having made the findings proposed in the attached Proposal, and found that Boncent Properties Ltd., Yan (Lily) Chen and Zhenwei (Kevin) Liu 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 section 49 of the RESA, the Superintendent orders that:

1. Boncent Properties Ltd. pay a penalty to BCFSA in the amount of \$16,000 within sixty (60) days from the date of this Order, pursuant to section 49(2)(d)(i) of the RESA; and

2. Boncent Properties Ltd., Yan (Lily) Chen and Zhenwei (Kevin) Liu jointly and severally pay partial investigative costs to BCFSa in the amount \$4,500 within thirty (30) days from the date of this Order, pursuant to section 49(2)(c) of the RESA.

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

Dated this 6th day of July, 2022 at the City of Vancouver, British Columbia.

Superintendent of the BC Financial Services Authority

“JONATHAN VANDALL”

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

Attch.

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CONSENT ORDER PROPOSAL

This Consent Order Proposal (the "Proposal") is made by Boncent Properties Ltd. ("Boncent Properties"), Yan (Lily) Chen ("Chen") and Zhenwei (Kevin) Liu ("Liu") to the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority (the "BCFSA") pursuant to sections 41 and 48 of the *Real Estate Services Act* ("RESA").

A. BACKGROUND AND FACTS

For the purposes of the Proposal, Boncent Properties, Chen and Liu and the Superintendent have agreed upon the following facts:

1. Boncent Properties is a company incorporated under the laws of British Columbia with a registered and records office of [Redacted], Burnaby, BC.
2. Chen and Liu are the directors of Boncent Properties.
3. Boncent Properties has never been licensed as a brokerage to provide rental property management services and has never met the criteria to be exempted under the RESA or the Real Estate Services Regulations (the "RESA Regulations").
4. Chen has never held a licence under the RESA to provide real estate services in British Columbia and has never met the criteria to be exempted under the RESA or the RESA Regulations.
5. Liu has never held a licence under the RESA to provide real estate services in British Columbia and has never met the criteria to be exempted under the RESA or the RESA Regulations.
6. The investigation into the activities of Boncent Properties, Chen and Liu was initiated following a Consent Order entered into by [Individual 1] and [Individual 1] Personal Real Estate Corporation and the Real Estate Council of BC, whereby it was determined that [Individual 1] and [Individual 1] Personal Real Estate Corporation had committed professional misconduct by providing rental property management services between September 2012 and August 2014 for an unlicensed entity, namely, Boncent Properties.
7. Between 2012 and 2015, [Individual 1] was an officer of Boncent Properties.
8. Between 2012 and 2015, Boncent Properties, and Chen and Liu on behalf of Boncent Properties provided rental property management services in respect of at least nine (9) properties in Burnaby, BC which were owned by a numbered company (the "Numbered Company").

9. Boncent Properties, Chen and Liu did not enter into any tenancy agreements for any of the nine properties on behalf of the Numbered Company.
10. Between 2012 and 2015 Boncent Properties, Chen and Liu with respect to some or all of the nine properties:
 - a. posted advertisements for rent;
 - b. showed the properties to prospective tenants;
 - c. provided repair and maintenance to the properties; and
 - d. collected rent from tenants on behalf of the Numbered Company.
11. Between 2012 and 2015, Boncent Properties received remuneration for unlicensed rental property management services by way of collecting monthly rents from tenants and retaining a 5% fee before forwarding the payments to the Numbered Company.
12. Boncent Properties deposited the rent cheques for the properties into its own bank account and then transferred the funds to the Numbered Company's bank account.
13. Boncent Properties received remuneration of at least \$15,975 from the Numbered Company for its rental property management services between 2012 and 2015.
14. On June 4, 2015, an arbitrator of the Residential Tenancy Branch issued a decision between Boncent Properties and the Numbered Company (as respondents) and a tenant. The arbitrator ordered that the Boncent Properties and the Numbered Company jointly pay the Tenant \$1,850 (the "RTB Award") as follows:
 - a. double the security deposit for failing to pay the security deposit within the statutorily-mandated time,
 - b. damages for lost use of a sink,
 - c. reimbursement for the cost of a plumber, and
 - d. reimbursement of the tenant's filing fee.
15. On August 3, 2016, the tenant filed the judgment in Small Claims Court because they had not been paid the RTB Award.
16. As of March 2019, neither Boncent Properties nor the Numbered Company had paid the tenant the RTB Award.
17. Boncent Properties, Chen and Liu covenant and represent to the BCFSAs that they are not currently providing, and will not in future provide, rental property management services in British Columbia without being licensed to do so under the provisions of the RESA or without being otherwise exempt from licensing requirements under the RESA or RESA Regulations.

B. PROPOSED FINDINGS OF MISCONDUCT

For the sole purposes of the Proposal and based on the facts outlined herein, Boncent Properties, Chen and Liu propose the following findings of misconduct be made by the Superintendent:

1. Boncent Properties, Chen and Liu provided rental property management services in British Columbia without being licensed to do so under the provisions of the RESA and without being otherwise exempt from licensing requirements under the RESA, contrary to section 3(1) of the RESA, when, in relation to one or more of at least nine (9) rental properties, they:
 - a. provided trading services in relation to the rental properties including advertising that made

representations about the rental properties; and

- b. managed the rental properties on behalf of the rental properties' owner by collecting and making payments to and from third parties and managing landlord and tenant matters including arranging repairs to the rental properties on behalf of the owner.

C. PROPOSED ORDERS

Based on the facts herein and the Proposed Findings of Misconduct, Boncent Properties, Chen and Lui propose that the Notice of Hearing in this matter be resolved through the following Orders being made by the BCFSa without conducting a hearing:

1. Pursuant to section 49(2)(d)(i) of the RESA, Boncent Properties pay a penalty to BCFSa in the amount of \$16,000.00 within sixty (60) days from the date of this Order; and
2. Boncent Properties, Chen and Liu jointly and severally pay investigative costs of \$4,500 within thirty (30) days from the date of this Order.

D. ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT

1. Boncent Properties, Chen and Liu acknowledge and understand that the Superintendent may accept or reject the Proposal. If the Proposal is rejected by the Superintendent, the matter may be referred to an enforcement hearing.
2. Boncent Properties, Chen and Liu acknowledges that they have been urged and given the opportunity to seek and obtain independent legal advice with respect to the enforcement process, the allegations contained in the Notice of Hearing, and the execution and submission of the Proposal to the Superintendent; and, that they have obtained independent legal advice or have 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. Boncent Properties, Chen and Liu acknowledge 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. Boncent Properties, Chen and Liu hereby waive their right to appeal pursuant to section 54 of the RESA.
5. If the Proposal is accepted and/or relied upon by the Superintendent, Boncent Properties, Chen and Lui will not make any public statement(s) inconsistent with the Proposal and its contents. Nothing in this section is intended to restrict Boncent Properties, Chen and Lui from making full answer and defence to any civil or criminal proceeding(s).
6. The Proposal and its contents are made by Boncent Properties, Chen and Lui for the sole purpose of resolving the Notice of 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 Boncent Properties, Chen and Lui in any civil proceeding with respect to the matter.

Dated 16 day of June, 2022

"YAN (LILY) CHEN"

Yan (Lily) Chen on her own behalf and on behalf of Boncent Properties Ltd.

"ZHENWEI (KEVIN) LIU"

Zhenwei (Kevin) Liu on his own behalf and on behalf of Boncent Properties Ltd.