

Citation: Ho (Re), 2023 BCRMB 14

Date: 2023-11-24

File #INV17.255.38332

BC FINANCIAL SERVICES AUTHORITY

**IN THE MATTER OF THE *MORTGAGE BROKERS ACT*,
RSBC 1996, c 313 as amended**

AND

IN THE MATTER OF

**HOU YIN (JEFFREY) HO
(REGISTRATION #500987)**

CONSENT ORDER

(Pursuant to sections 8 (1.2) of the *Mortgage Brokers Act*)

[This Order has been redacted before publication.]

WHEREAS Hou Yin Ho also known as Jeffrey Ho ("Mr. Ho") was at all material times registered as a submortgage broker under the *Mortgage Brokers Act*, RSBC 1996, c 313 ("MBA");

AND WHEREAS the Registrar of Mortgage Brokers (the "Registrar") issued a Notice of Hearing to Mr. Ho, on September 9, 2019 ("Notice of Hearing");

AND WHEREAS the following agreement has been reached between Mr. Ho and the staff of the Registrar ("Staff");

AND WHEREAS the Registrar agrees to the following terms of a consent order:

A. FINDINGS

The Registrar makes the following findings against Mr. Ho, and Mr. Ho accepts the following findings made against him:

1. In his capacity as a submortgage broker, Mr. Ho conducted mortgage business in British Columbia in a manner prejudicial to the public interest, contrary to section 8(1)(i) of the MBA by submitting seven (7) mortgage applications during the period of 2014 to 2016 which he ought to have known were misleading by:
 - a. failing to disclose in certain mortgage applications submitted to lenders that borrowers were seeking concurrent mortgage financing for the potential purchase of other properties; and/or

- b. submitting certain mortgage applications to lenders on behalf of the borrowers, on the basis that the properties were owner occupied when he ought to have known that the properties would be converted into rental properties if the potential purchase of another property completed.
2. In his capacity as a submortgage broker, Mr. Ho conducted mortgage business in British Columbia in a manner prejudicial to the public interest, contrary to section 8(1)(i) of the MBA, by allowing his registered assistant to prepare and submit concurrent mortgage applications in 2017 to different lenders on behalf of a single borrower:
 - a. which he ought to have known were misleading in that:
 - i. one of the mortgage applications prepared and submitted by his registered assistant failed to disclose that the borrower was seeking concurrent mortgage financing for the potential purchase of another property;
 - ii. each mortgage application prepared and submitted by his registered assistant stated a different monthly rental income for the same suite of \$1,000 in one mortgage application and \$1,500 in another mortgage application; and
 - b. when he ought to have known that the mortgage applications prepared and submitted by his registered assistant included three (3) false residential tenancy agreements, two of which were signed by the borrower, which were not genuine and which the lenders would rely on.

B. ORDERS AND PENALTY

Pursuant to section 8 (1.2) of the MBA, Mr. Ho hereby consents to, and the Registrar hereby makes the following orders:

1. Mr. Ho's registration under the MBA will be suspended for a period of three (3) months pursuant to section 8(1) of the MBA;
2. Mr. Ho shall pay an administrative penalty of \$50,000 pursuant to 8(1.1) of the MBA within the time period directed by the Registrar;
3. Mr. Ho shall pay partial investigation costs in the amount of \$5,000 pursuant to section 6(9) of the MBA within the time period directed by the Registrar; and
4. All payments must be made by cheque, bank draft, or money order, payable to the BC Financial Services Authority, and all amounts not paid in accordance with the terms of this Order will represent a debt owing and be subject to interest pursuant to the *Financial Administration Act*, RSBC. 1996, c. 138.

C. AGREED FACTS

As a basis for this Consent Order, Mr. Ho acknowledges the following facts as correct and makes the following admissions:

Background

1. Mr. Ho has been registered as a submortgage broker since March 3, 2014.

2. Between March 3, 2014 – February 12, 2015, Mr. Ho was a submortgage broker with [Brokerage 1] (“[Brokerage 1]”).
3. On February 12, 2015, Mr. Ho transferred his registration to Verico Paragon Elite Lending Corp. dba VP Elite Lending before its name changed to Elite Lending Corp. dba Dominion Lending Centres Elite Lending (“Elite Lending”) on January 28, 2016, where he continues to be presently registered.
4. At all material times, Mr. Ho worked on a team with registered submortgage brokers “A” and “B” where Mr. Ho and “A” would generate clients, and “B” would act as a registered assistant to them and sometimes prepare and submit mortgage applications on their behalf.
5. During the period of September 2014 to April 5, 2017, either directly or through mortgage applications prepared and submitted by “B” on his behalf, Mr. Ho ought to have known that:
 - a. two sets of mortgage applications submitted to lenders on behalf of borrowers were misleading in that they failed to state that the borrowers were seeking concurrent financing for the potential purchase of other properties;
 - b. five sets of mortgage applications submitted to lenders on behalf of borrowers were misleading in that they failed to state that the borrowers were seeking concurrent financing for the potential purchase of other properties and stated that the properties were owner occupied when Mr. Ho ought to have known that the properties would be converted into rental properties if the potential purchase of the other property completed.
6. Mr. Ho’s registered assistant “B” prepared and submitted on Mr. Ho’s behalf on March 24, 2017 and April 5, 2017 concurrent mortgage applications on behalf of a single borrower to different lenders in respect of two different properties. Mr. Ho did not exercise proper due diligence in respect of these mortgage applications, and if he had then he would have known that:
 - a. the mortgage application submitted by “B” on March 24, 2017 failed to state that the borrower was seeking concurrent mortgage financing for the potential purchase of another property;
 - b. each of the mortgage applications submitted by “B” stated a different monthly rental income for the same suite, namely one mortgage application stated the monthly income was \$1,000 and one mortgage application stated the monthly income was \$1,500; and
 - c. both mortgage applications submitted by “B” between them included a total of three (3) false tenancy agreements created by “B”, two of which were signed by the borrower, and which were submitted to the lenders to rely on as if they were genuine.

Other Factors

7. Mr. Ho has no prior disciplinary history with the Registrar of Mortgage Brokers.
8. The misconduct identified in this consent order dates as far back as 2014, and since that time Mr. Ho has not been the subject of any further allegations or adverse findings by the Registrar of Mortgage Brokers.
9. Mr. Ho fully cooperated with the staff of the Registrar’s investigation.

D. WAIVER

Mr. Ho waives his right to a hearing under sections 4 and 8 of the MBA and waives his right to appeal under section 9 of the MBA.

Approved as to form and content by:

“Original signed by Owais Ahmed”

_____ this 23rd day of November, 2023.

Owais Ahmed
Legal Counsel for Jeffrey Ho

“Original signed by Catherine Davies”

_____ this 23 day of November, 2023.

Catherine Davies
Legal Counsel for the Staff of the
Registrar of Mortgage Brokers

Issued this 24 day of November, 2023 at Vancouver, British Columbia.

“Original signed by Jonathan Vandall”

Jonathan Vandall
Acting Registrar of Mortgage Brokers
Province of British Columbia