

BC FINANCIAL SERVICES AUTHORITY

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

**AND IN THE MATTER OF
ERNEST HSIEN-YU CHANG
(153687)
AND
ERNEST CHANG REALTY LTD.
(X037696)**

**REASONS FOR DECISION REGARDING
ADMINISTRATIVE PENALTY RECONSIDERATION REQUEST**

[These Reasons have been redacted before publication.]

DATE AND PLACE OF HEARING: Via Written Submissions

HEARING OFFICER: Gareth Reeves

Introduction

1. On May 23, 2024, the BC Financial Services Authority (“**BCFSA**”) issued a Notice of Administrative Penalty (the “**NOAP**”) in the amount of \$11,000 to Ernest Hsien-Yu Chang and Ernest Chang Realty Ltd (collectively, “**Mr. Chang**”) pursuant to section 57(1) and 57(3) of the *Real Estate Services Act*, RSBC 2004, c 42 (“**RESA**”).
2. In the NOAP, BCFSA determined that Mr. Chang had contravened the following sections of the *Real Estate Services Rules*, BC Reg 209/2021 (the “**Rules**”) in the following ways:
 - a. Section 30(a), by failing to promptly inform his rental property management client that the property’s strata management company had issued a Notice of Infraction on July 26, 2022 reporting significant damage to the property until August 2, 2022 and also failed to provide his client with rental inspection reports and a copy of the tenancy agreement upon his client’s request;
 - b. Section 30(b), by failing to conduct a move-out inspection despite his client’s request that he do so; and
 - c. Section 87, by failing to provide his client with rental inspection reports and a copy of the tenancy agreement upon his client’s written requests on August 2, 3, and 31, 2022.
3. Mr. Chang applied for a reconsideration of the NOAP under section 57(4) of RESA. The application proceeded by written submissions.

Issues

4. The issue is whether the May 23, 2024 NOAP should be cancelled or confirmed.

Jurisdiction and Standard of Proof

5. This application for reconsideration is brought pursuant to section 57(4) of RESA, which requires the Superintendent of Real Estate (the “**superintendent**”) to provide a person who receives an administrative penalty with an opportunity to be heard upon request.
6. Section 57(4) of RESA permits the superintendent to cancel the administrative penalty, confirm the administrative penalty, or, if the superintendent is satisfied that a discipline hearing under section 40 of RESA would be more appropriate, cancel the administrative penalty and issue a notice of discipline hearing.
7. The superintendent has delegated the statutory powers and duties set out in section 57 to Hearing Officers.
8. The standard of proof is the balance of probabilities.

Background and Factual Findings

9. The evidence and information before me consists of an investigation report completed by BCFSA, along with the tabs to that report, and the information provided by Mr. Chang in the application for reconsideration. The following is intended to provide some background to the circumstances and to provide context for my reasons. It is not intended to be a recitation of all the information before me.
10. Mr. Chang was first licensed on January 8, 2008 as a representative in the trading services category. He became licensed in the rental property management and strata property management categories on June 25, 2014. On February 27, 2015, he became licensed as an associate broker.
11. On March 4, 2015, Mr. Chang became licensed as a sole proprietor and then on July 8, 2022 he became licensed as the managing broker for Ernest Chang Realty Ltd dba “Ernest Chang Realty”.
12. Mr. Chang was the rental property manager for a property at [Property 1], Burnaby (the “**Property**”) from June 17, 2017 to August 1, 2022. The property management agreement (the “**Management Agreement**”) between the Property’s owner (the “**Owner**”) and Mr. Chang for the Property included, but was not limited to, Mr. Chang’s agreement to do the following:
 - a. “Strict compliance with the Real Estate Act (British Columbia) [*sic*] and all regulations thereto, and all other laws, rules, policies and regulations of government and regulatory authorities in carrying out the Management duties”;
 - b. “Reporting to Landlord on a timely basis any repairs and maintenance needed at the Premises”; and
 - c. “Physical inspection of the condition of Premises with the tenants at times of tenancy commencement and termination.”
13. The Management Agreement also stated that the Owner had the right to examine the “books, records and accounts” related to the Property during the term of the Management Agreement and within 90 days after its termination.
14. On March 1, 2019, Mr. Chang signed a tenancy agreement (the “**Tenancy Agreement**”) with two individuals (collectively, the “**Tenants**” or individually, the “**Tenant**”) using the Residential Tenancy

Branch's standard form tenancy agreement for a fixed term lease of the Property from March 1, 2019 to February 29, 2020. This Tenancy Agreement continued until the events described below.

15. One of the Tenants and Mr. Chang also signed a Condition Inspection Report for the Property on March 1, 2019. That report indicated that all aspects of the Property were "OK" and that the Tenant had received two fobs, two unit keys, and a mail key.
16. In May 2022, at the Owner's instruction, Mr. Chang delivered a notice to the tenant indicating that the Owner intended to move into the property on August 1, 2022 and was therefore ending the tenancy.
17. On July 7, 2022, the RCMP SWAT team broke down the door to the Property with a battering ram. This caused significant damage to the door and caused the strata manager for the Property to issue a Notice of Infraction dated July 21, 2022 regarding that damage. The Notice of Infraction provided that the Owner had two weeks from the date of the letter to respond in writing or request a hearing. I have been provided photographs of this damage, which shows damage to both the door and the door frame. The door is not completely destroyed but shows obvious cracks and a large hole. The door frame appears to have had the locking hardware forcibly pulled out, I find that this occurred when the door was knocked open by the RCMP's battering ram.
18. On July 26, 2022, Mr. Chang received the Notice of Infraction issued by the Property's strata manager by mail. Mr. Chang then text messaged one of the Tenants to ask what had happened. In a March 19, 2024 statement to BCFSA Investigations, Mr. Chang says he spoke to the Tenant on the phone who advised him that the police had damaged the door and that they had the wrong address.
19. On July 30, 2022, the Owner sent a text message to Mr. Chang to remind Mr. Chang of the August 1 move out date and to request that he perform a move-out inspection for the Property.
20. On July 30, 2022, Mr. Chang sent a text message to one of the Tenants to confirm that the 31st was the last day of the tenancy and to ask when the final inspection would occur. The Tenant replied that he had broken his foot and still needed to move his things out, which would occur on August 1, 2024. Mr. Chang asked to meet at 5:00 pm on August 1, 2022 and the Tenant confirmed.
21. On August 1, 2022, Mr. Chang texted the Tenant to advise he was in the lobby. The Tenant did not respond. Mr. Chang says he met with the Tenant on August 1, 2022 and the tenant still had some garbage bags to remove. He says the Tenant agreed to forfeit the deposit of \$1,550 to compensate the Owner for the damage to the door.
22. No move out-inspection report was completed on August 1, 2022 or at all. This is confirmed by the Condition Inspection Report prepared on March 1, 2019 and which contains no entries on the move-out side of the document. Mr. Chang says that the move-out inspection was not completed in part because the tenant agreed to forfeit his deposit.
23. On the morning of August 2, 2022, Mr. Chang texted to ask if the Tenant was coming and provided his office address. He then texted again to ask when the Tenant's friend was coming. From this exchange, I infer that Mr. Chang expected the Tenant to attend at his office on August 2, 2022. Mr. Chang says that he attended at the Property that morning and found that the Tenant had vacated the Property and left the keys on the counter. Based on the time stamps on the various text messages, I conclude that Mr. Chang did so in the early afternoon, after it became apparent that the tenant would not be attending his office. If this were not the case, Mr. Chang would not have provided his office address. This finding is also supported by Mr. Chang's evidence that the fobs and keys for the Property were left on the counter, where he retrieved them, and his later message advising the Owner that he had the fobs and keys.

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24. On August 2, 2022, the Owner and Mr. Chang met at the Property. During that meeting Mr. Chang showed the owner a copy of the Notice of Infraction on his phone. On that same date, the Owner and Mr. Chang exchanged a series of text messages with the following summarized content:
 - a. Mr. Chang advising the Owner that they should attend at his office to collect the fobs, keys, and deposit;
 - b. Mr. Chang sending photographs of the damaged door and frame to the Owner;
 - c. The Owner and Mr. Chang discussing the damage to the door and meeting at the Property;
 - d. The Owner requesting a copy of the inspection form for the Property; and
 - e. Mr. Chang sending the owner a copy of the Notice of Infraction.
 25. Based on the timeline and content of the above messages, I conclude that the meeting at the Property happened in the afternoon of August 2, 2022, sometime around 3:00 pm and before Mr. Chang sent the Notice of Infraction to the Owner.
 26. Mr. Chang says he notified the Owner of the Notice of Infraction on July 26, 2022, immediately after he received it. I do not accept Mr. Chang's evidence on this point. I find that the first time he notified the Owner of this was on August 2, 2022 when they met at the Property. I conclude this for the following two reasons:
 - a. Mr. Chang has provided no documentary evidence that he advised the Owner of this before August 2, 2022, even though the Owner and he were consistently exchanging text messages. In the evidence before me are a number of text messages between Mr. Chang and the Owner prior to August 2, 2022, both before and after July 26, 2022.; and
 - b. The Owner texted Mr. Chang on August 2, 2022 to ask when the damage occurred to the door and whether it was lockable.
 27. In light of those two facts, I find it more likely that the Owner did not know about the damage to the door before August 2, 2022. In my view, if the Owner had known there would likely be some record and the owner would likely have asked about the extent of the damage before that date.
 28. On August 3, 2022, the Owner asked Mr. Chang, by text message, for a copy of the tenancy agreement and the inspection forms for the Property, among other things. The Owner indicated to Mr. Chang that he had never received a tenancy agreement for the tenant.
 29. On August 16, 2022, Mr. Chang was advised by the strata corporation by email that the cost to repair the damaged door and frame would likely be around \$6,000 given the need to replace the door with a fire door. I find that Mr. Chang knew at that date that the damage to the Property well exceeded the damage deposit forfeited by the Tenants.
 30. On August 31, 2022, the Owner emailed Mr. Chang to request a copy of the tenancy agreement and the inspection forms for the Property, among other things.
 31. Despite the repeated requests from the Owner, Mr. Chang did not deliver a copy of the tenancy agreement or the inspection forms for the Property to the Owner by September 13, 2022, the date the Owner made their complaint to BCFSA. Mr. Chang says that he was not required to provide these documents to the Owner because the Owner was no longer his client when the request was made and because of *Personal Information Protection Act*, SBC 2003, c 63 ("**PIPA**") restricted his ability to do so.
 32. The owner of the Property alleged that the damage to the property was over \$10,000 including approximately \$6,000 for repair of the door. The Owner provided an estimate for the door repair of \$5,912.39.

Submissions

33. Mr. Chang's submissions include his reconsideration request form and appended additional pages along with ten screenshots of various images and messages he exchanged with the Owner and one of the Tenants, most of which are described above.
34. Regarding the Notice of Infraction, Mr. Chang submits that he reported it to the Owner immediately. Again, he provides no proof of this.
35. Further, he submits that he was told on August 1, 2022, while at the Property meeting with the tenant, that the door had been damaged by the police by mistake. This does not align with what Mr. Chang told BCFSA investigations on March 19, 2024, which is that the Tenant called him back on July 26, 2022 to advise Mr. Chang of what had occurred.
36. Regarding the move-out inspection, Mr. Chang denies that he failed to perform one. He submits that he reminded the Tenant of the need to perform one on July 31, 2022 and notes that he met with the Tenant on August 1, 2022 and agreed to have the Tenant forfeit their deposit. He submits that he was unable to conduct the move-out inspection on August 2, 2022 because the Tenant did not show up.
37. Regarding providing the Tenancy Agreement and inspection forms, Mr. Chang says he gave the Owner the Tenant's contact information. He submits that PIPA requirements mean the documents must be viewed at his office. He points to no particular PIPA sections to support this contention.

Reasons and Findings

Applicable Legislation

38. Section 56 of RESA provides that BCFSA may designate specific provisions of RESA, the Real Estate Regulation (the "**Regulations**"), or the Rules as being subject to administrative penalties, and may establish the amounts or range of amounts of administrative penalty that may be imposed in respect of each contravention of a specified provision. Pursuant to section 56(2), the maximum amount of an administrative penalty is \$100,000.
39. Section 26(1) of the Rules indicates that for the purposes of section 56(1) of RESA, contraventions of the Rules listed in section 26(2) of the Rules are designated contraventions to which Division 5 (Administrative Penalties) of Part 4 of RESA applies.
40. At the relevant time, section 26(2) of the Rules identified four categories, Category A, B, C, and D, for designated contraventions for the purpose of determining the amount of an administrative penalty. Sections 30(a) and 30(b) of the Rules were placed in Category C and section 87 of the Rules was placed in Category A. Section 27(1) of the Rules provided for administrative penalties of \$1,000 for a first contravention and \$2,000 for a subsequent contravention in Category A. Section 27(3) provided for administrative penalties of \$5,000 for a first contravention and \$10,000 for a subsequent contravention in Category C.
41. Section 57(1) of RESA sets out that if the superintendent is satisfied that a person has contravened a provision of RESA, the Regulations, or the Rules designated under section 56(1)(a) of RESA, the superintendent may issue a notice imposing an administrative penalty on the person. Section 57(2) requires that a notice of administrative penalty indicate the rule that has been contravened, indicate the administrative penalty that is imposed, and advise the person of the person's right to be heard respecting the matter.

42. Sections 30(a), 30(b), and 87 of the Rules provide as follows:

30 Subject to sections 31 [*modification of duties*] and 32 [*designated agency*], if a client engages a brokerage to provide real estate services to or on behalf of the client, the brokerage and its related licensees must do all of the following:

- (a) act in the best interests of the client;
- (b) act in accordance with the lawful instructions of the client;

...

87 (1) A brokerage must retain the following records with respect to its rental property management services:

- (a) the tenancy agreements or other contracts for the rental of the real estate;
- (b) any accounting statements prepared by or on behalf of the brokerage that are provided to clients;
- (c) any invoices for expenditures incurred on behalf of clients.

(2) A brokerage that provides rental property management services must prepare and retain a record of

- (a) the tenants at each rental property managed by the brokerage, and
- (b) the security deposits, pet damage deposits and other deposits paid by each tenant.

(3) If requested by a former client, the brokerage must provide the following records to the former client or, if the former client engages another brokerage to provide rental property management services, to the other brokerage:

- (a) financial records referred to in section 80 [trust account and general account records] that relate to trust accounts maintained on behalf of the former client;
- (b) the records referred to in subsection (1) (a) and (c) of this section, unless those records have already been provided to the former client;
- (c) the records referred to in subsection (2) of this section.

(4) The records requested under subsection (3) must be provided by the brokerage on or before the later of the following dates:

- (a) the date that is 2 weeks after the date of the request;
- (b) the date that is 4 weeks after the date of the termination of rental property management services.

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Analysis

43. The imposition of an administrative penalty under section 57 of RESA is a discretionary decision. A request to reconsider the imposition of an administrative penalty requires a Hearing Officer to consider not only whether a contravention of RESA, the Regulations, or the Rules has occurred, but also whether a licensee exercised due diligence, that is: took reasonable steps or precautions, to prevent the contravention of the designated sections identified in the notice of administrative penalty. A Hearing Officer may also consider information on any extenuating circumstances that prevented compliance, or any other information the licensee believes a Hearing Officer should consider.

The Notice of Infraction

44. As indicated above, I find that Mr. Chang received the Notice of Infraction on July 26, 2022 and first provided it to the Owner on August 2, 2022, seven days later. The timeline for the Owner to respond to the notice was 14 days from the date on the notice, which expired on August 4, 2022. This left the Owner with two days to attend to the issue within the timelines specified by the Notice of Infraction.
45. In my view, that late delivery was contrary to the Owner's best interest. I acknowledge in this regard that there is no evidence that the Owner was unable to deal with the Notice of Infraction with the strata corporation, but I find that it is a failure to act in the Owner's best interest to not seek to notify them immediately of the issue given the short timeline available for a response. This is particularly so where Mr. Chang was in consistent communication with the Owner and could have sent the form immediately.
46. In my view, the delay of seven days in providing the Notice of Infraction to the Owner sacrificed half of the initially available response time and in fact almost all of the remaining response time, which created a risk that the Owner's rights would be compromised.
47. I note that there is no evidence that the Owner was unable to deal with the matter or suffered harm as a result. In my view, that speaks to the issue of harm and not to whether Mr. Chang acted in the Owner's best interest.
48. As a result, I find that Mr. Chang failed to act in the Owner's best interest by failing to deliver the Notice of Infraction when he received it, contrary to section 30(a) of the Rules.

The Move-Out Inspection

49. No move-out inspection was done at the end of the Tenants' tenancy of the Property.
50. Mr. Chang says this happened for two reasons. First, one of the Tenants had agreed to forfeit the damage deposit under the Tenancy Agreement on August 1, 2024 and had not vacated the Property at that time. Second, the Tenants did not show up to conduct a move-out inspection of the Property.
51. In my view, neither of these provide a reasonable excuse for Mr. Chang to have not conducted a move-out inspection.
52. I note that the *Residential Tenancy Act*, SBC, c 78 (the "RTA") contains provisions that explicitly deal with move-out and move-in inspections. Specifically, section 35 of the RTA requires that a move-out inspection be conducted. Section 35(2) requires that the landlord provide a tenant with at least two opportunities for that inspection and section 35(5) permits the landlord to conduct the inspection without the tenant if they have provided two opportunities and the tenant has not attended on either occasion or the tenant has abandoned the property.
53. The Tenancy Agreement also required the Owner and the Tenants to participate in a move-out inspection. Further, the Management Agreement explicitly provided that the move-out inspection fell within Mr. Chang's responsibilities and the Owner directly instructed him to conduct a move-out inspection. Mr. Chang was therefore obliged to conduct the move-out inspection.
54. Further, Mr. Chang was in direct communication with one of the Tenants and had the ability to provide them with proposed meeting times as required by the RTA. Mr. Chang actually attended at the Property on August 2, 2022 and therefore had the opportunity to conduct the move-out inspection and failed to do so, contrary to the Owner's instructions. The fact that the Tenants had agreed to forfeit the deposit on August 1, 2022 and the fact that they had not yet vacated the property on that date is not relevant to whether Mr. Chang was obliged to conduct the inspection.

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55. I note Mr. Chang's second submission identified above, regarding the Tenant's failure to meet on August 2, 2022, does not comport with Mr. Chang's submission that he did not need to complete the inspection because the Tenant had agreed, on August 1, 2022, to forfeit the deposit. It also does not align with my finding above that the Tenant was going to meet Mr. Chang at his office on August 2, 2022. It is possible that Mr. Chang and the Tenant were going to meet at his office and then again at the Property, but I find it more likely that Mr. Chang did not consider a formal inspection necessary because the Tenant had forfeited the deposit, which Mr. Chang considered to be the extent of his obligations.
56. I find that, Mr. Chang's failure to complete the move-out inspection constitutes a failure to act in accordance with the lawful instructions of the Owner contrary to section 30(b) of the Rules.
57. In my view, it is unnecessary, for the purposes of establishing the contravention, to show that the Owner pursued a claim against the Tenants and was unsuccessful in that claim as a result of Mr. Chang's failure to do as he was lawfully instructed. The evidence before me establishes he was instructed to conduct the move-out inspection and he took few, if any steps, to actually do that.

The Tenancy Agreement Request

58. The Owner requested a copy of the Tenancy Agreement in writing on August 3, 2022 by text message and on August 31, 2022 by email. Mr. Chang refused to provide that document.
59. Mr. Chang in his responses to BCFSAs Investigations and in his submissions provided two attempted justifications for his refusal to provide the Owner with the Tenancy Agreement.
60. First, he says that PIPA did not permit him to share the information. Second, he says that after the Management Agreement ended, he only had to make the documents available to be viewed at his office. Neither of these justifications are supportable.
61. PIPA does apply to restrict the collection and disclosure of personal information; however, section 18(1)(o) explicitly permits disclosure where that disclosure is required by law. As set out above, section 87(3)(b) specifically requires real estate licensees to provide their former clients with copies of tenancy agreements. Therefore, PIPA does not preclude the disclosure of this information from Mr. Chang to the Owner.
62. As an aside, I note that Mr. Chang's own conduct is inconsistent with his argument that PIPA precludes disclosure in that he provided the Owner with one of the Tenant's contact information. That contact information would be personal information protected by PIPA and its disclosure, without required authorization under PIPA, would be improper in the same way that disclosure of the Tenancy Agreement would be. That said, neither disclosure appears to be offside PIPA's requirements.
63. Section 87(3)(b) of the Rules also defeats Mr. Chang's argument that he only had to allow the Owner to view the Tenancy Agreement at his office. Section 87 does not permit licensees to contract out of its requirements. Even if it did, the Management Agreement does not say Mr. Chang cannot provide copies or otherwise try to limit his obligations under section 87 of the Rules; it merely provides a positive obligation that he allow the Owner to view the documents at his office for a certain period.
64. I therefore find that Mr. Chang failed to provide the Tenancy Agreement to the Owner within two weeks of the Owner's request contrary to section 87 of the Rules.
65. With regard to section 30(a), I find that the failure to provide the Tenancy Agreement was a clear failure to act in the Owner's best interest. By August 16, 2022, Mr. Chang knew that the damage to the Property was well in excess of the deposit forfeited by the Tenants. The failure to deliver the

Tenancy Agreement to the Owner would have compromised the Owner's ability to proceed with enforcement steps to recover that difference, had they chosen to do so. I acknowledge that I have no evidence that the Owner attempted to recover that difference from the Tenant, but Mr. Chang's failure compromised the Owner's rights in that regard. The lack of harm is not relevant to whether Mr. Chang acted in the Owner's best interest, though it is relevant to the appropriate sanction arising from his conduct.

66. I therefore find that the failure to deliver the Tenancy Agreement, as requested, constituted a contravention of section 30(a) of the Rules.

The Rental Inspection Report Request

67. The Owner requested that Mr. Chang provide the inspection report under the Tenancy Agreement on August 2, 3, and 31, 2021.

68. The Tenancy Agreement required completion of a move-out inspection and the preparation of an inspection report in writing through the operation of Part 3 of the *Residential Tenancy Regulation*. It did not, however, incorporate the inspection report into the Tenancy Agreement. In my view, it was a separate document and, although it required both the Owner and the Tenants to sign it, it was not contractual in nature.

69. I note in this regard that at least one consent order of the Real Estate Council of British Columbia found that a failure to retain a move-out inspection report was a contravention of then section 8-6(1)(a) of the Rules, the predecessor to section 87(1)(a) of the Rules: *Pacific Quorum Properties Inc (Re)*, 2013 CanLII 57824 (BC REC). On the facts of that case, the rental property management agreement between the brokerage and the client required retention of the move-out inspection report. The Management Agreement in this case does not require that such a report be retained by Mr. Chang.

70. In my view, the inspection report does not fall under any of the enumerated documents listed in section 87(3) of the Rules: it is not a trust accounting record, a tenancy agreement or other contract, an invoice, a deposit record, or a record of the tenants at the Property.

71. I therefore find that Mr. Chang's failure to deliver the inspection report as requested by the Owner did not contravene section 87 of the Rules.

72. However, I do find that Mr. Chang's failure to deliver the inspection report was contrary to section 30(a) of the Rules. The inspection report constitutes clear evidence of the condition of the Property at the commencement of the Tenancy Agreement. Regardless of whether the move-out inspection was conducted and recorded on the form, it provided some evidence that the damage to the door of the Property occurred while the Property was occupied by the Tenants and therefore could have been used by the Owner to enforce their rights, should they have chosen to do so.

73. Mr. Chang's decision to not provide that document, compromised the Owner's ability to enforce those rights and therefore was not in the Owner's best interests. I acknowledge in this regard that there is no evidence that the Owner sought to recover the difference between the damage deposit amount and any necessary repair costs or that they were stymied in doing so, but the failure to deliver the document nonetheless compromised the Owner's ability to pursue that option and I find that is sufficient for Mr. Chang to have failed to act in the Owner's best interest. Again, the lack of harm is relevant to the appropriate sanction.

Penalty Amount

74. Each of the penalty amounts set out in the NOAP are the amounts designated for the relevant contraventions under the Rules.

75. I find the penalty amounts are reasonable in light of the contraventions established above.
76. I note in this regard that one of the alleged contraventions of section 87 of the Rules was not made out; however, the other contravention, the failure to deliver the Tenancy Agreement, is sufficient to establish the contravention and warrant the administrative penalty of \$1,000 imposed for that contravention.
77. In determining the appropriateness of the sanction in this case, I have considered the lack of proven harm to the Owner. In my view, the lack of proven harm is outweighed by two things.
78. First, the contraventions in this case deal with core obligations that licensee's owe to their clients; therefore, a response of some impact is necessary to address what I find are clear contraventions of a licensee's obligations and to provide general deterrence and educate other licensees about the importance of these obligations.
79. Second, Mr. Chang's responses during the investigation and his submission on this reconsideration application indicate that he does not understand the extent of his obligations to his client and the requirements of the Rules; therefore, the sanctions imposed in this case will serve to achieve specific deterrence and rehabilitation. Although remedial education was a possible order under section 57(1)(b) and could have helped achieve those goals as well, I find that a monetary sanction was within the scope of appropriate orders in this case and I have no authority to vary the NOAP.

Conclusion

80. I find that Mr. Chang contravened the Rules as follows:
 - a. He contravened section 30(a), by failing to promptly inform the Owner that the Property's strata management company had issued a Notice of Infraction reporting significant damage to the Property on learning of the issued notice on July 26, 2022 until August 2, 2022 and also failed to provide the Owner with the rental inspection report and a copy of the Tenancy Agreement upon the Owner's request;
 - b. Section 30(b), by failing to conduct a move-out inspection despite the Owner's request that he do so; and
 - c. Section 87, by failing to provide the Owner with a copy of the Tenancy Agreement upon the Owner's written requests on August 2, 3, and 31, 2022.
81. I find that Mr. Chang did not contravene section 87 of the Rules by failing to deliver a copy of the inspection report for the Property on request by the Owner.
82. I find the administrative penalties in this case were appropriate.
83. I confirm the \$11,000 administrative penalty issued on May 23, 2024.
84. The administrative penalty is now due and payable to BCFSA.

DATED at North Vancouver, BRITISH COLUMBIA, this 5th day of November, 2024.

"Original signed by Gareth Reeves"

Gareth Reeves
Hearing Officer