

CITATION: Renzullo (Re), 2025 BCSRE 7

Date: 2025-01-09

File # 18-865

BC FINANCIAL SERVICES AUTHORITY

IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*

SBC 2004, c 42 as amended

AND

IN THE MATTER OF

AMIRMOHSEN HAMZEHALI

(163196)

AND

AMIR HAMZEHALI PERSONAL REAL ESTATE CORPORATION

(163196PC)

AND

OKSANNA SUVOROV

(156416)

AND

LORA RENZULLO

(167280)

CONSENT ORDER

[This Order has been redacted before publication.]

RESPONDENT: Lora Renzullo, Associate Broker, RLPS Limited Partnership dba Royal
LePage Sussex (West Vancouver)

DATE OF CONSENT ORDER: January 9, 2025

COUNSEL: Desiree Lee, Legal Counsel for the BC Financial Services Authority
Morgan Sterns, Legal Counsel for the Respondent

PROCEEDINGS:

On January 9, 2025, the Superintendent of Real Estate (the "Superintendent"), or the Superintendent's authorized delegate, of BC Financial Services Authority ("BCFSA") accepted the Consent Order Proposal (the "Proposal") submitted by Lora Renzullo.

WHEREAS the Proposal, a copy of which is attached hereto, has been executed by Lora Renzullo.

NOW THEREFORE, having made the findings proposed in the attached Proposal, and found that Lora Renzullo committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act* ("RESA") and section 34 of the *Real Estate Services Rules* (the "Rules") pursuant to section 43 of the RESA the Superintendent orders that:

1. Lora Renzullo pay a discipline penalty to BCFSA in the amount of \$15,000 within three (3) months from the date of this Order;
2. Lora Renzullo pay enforcement expenses to BCFSA in the amount of \$2,000 within two (2) months from the date of this Order.

If Lora Renzullo fails to comply with any term of this Order, the Superintendent may suspend or cancel their licence without further notice to them, pursuant to sections 43(3) and 43(4) of the RESA.

Dated this 9 day of January 2025 at the City of Victoria, British Columbia.

Superintendent of the BC Financial Services Authority

"Original signed by Jonathan Vandall"

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

Attch.

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**LORA RENZULLO
(167280)**

CONSENT ORDER PROPOSAL BY LORA RENZULLO

BACKGROUND AND FACTS

This Consent Order Proposal (the "Proposal") is made by Lora Renzullo ("Renzullo") to the Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority ("BCFSA") pursuant to section 41 of the *Real Estate Services Act* ("RESA").

For the purposes of the Proposal, Renzullo and the Superintendent have agreed upon the following facts:

1. Renzullo (167280) has been licensed as a trading representative since 2013, in the category of rental since 2017 and as an associate broker since 2023. Renzullo was at all relevant times licensed as a trading and rental representative with RLPS Limited Partnership dba Royal LePage Sussex (West Vancouver) ("RLPS").
2. Amir Hamzehali (163196) ("Hamzehali") has been licensed as a trading representative since December 1, 2011. Hamzehali was at all relevant times licensed as a trading representative with RLPS.

3. In approximately February 2016, Renzullo began working for Hamzehali as a licensed assistant. Prior to working with Hamzehali, Renzullo mainly worked in the presale market.
4. This matter arises from a complaint dated March 14, 2019 made to BCFSA (the "Complaint") by [Complainant 1] ("GB").
5. GB submitted the Complaint on behalf of the [Company 1] (the "Purchaser"), who purchased property at [Property 1], West Vancouver, BC (the "Property"). The Property was sold to the Purchaser in a contract of purchase and sale dated April 7, 2017, for \$6,725,000 (the "Transaction").
6. Hamzehali acted as listing agent in the Transaction. During the course of the transaction and at all relevant times, Renzullo worked as Hamzehali's licensed assistant.
7. The Transaction was one of the first listings that Renzullo worked on with Hamzehali. Her main responsibilities as a licensed assistant to Hamzehali at that time was providing support including uploading listings, showing properties, creating marketing materials, and updating Hamzehali's website.
8. The Purchaser had an agency relationship with Oksanna Suvorov ("Suvorov").
9. [Individual 1] ("PG") was the director of the corporate Seller, [Company 2], and owner/builder of the house which was built on the Property in 2016 (the "2016 House").
10. In 2014, Hamzehali was PG's agent for the purchase of the Property. At that time, the Property had an older house on it which was in "tear down" condition.
11. On April 10, 2016, PG completed a Property Disclosure Statement (the "PDS"). Both Renzullo and Hamzehali were present while PG completed the PDS.
12. On the PDS, PG answered "yes" to the question "Has a final building inspection or a final occupancy permit been approved."
13. On April 12, 2016, PG entered a Multiple Listing Contract to list the Property with Hamzehali PREC as his designated agent.
14. When the Property was listed, the feature sheet indicated "Approx. Year Built: 2016".
15. On September 9, 2016, during the course of the listing, Hamzehali asked PG via email for a copy of the occupancy permit or any documents showing the house was built in 2016 and that GST is payable on the sale. Renzullo was included in the email by carbon copy. No reply from PG was provided.
16. On September 16, 2016, in response to an email chain regarding a home inspection from an interested party, PG advised Hamzehali and Renzullo that approximately "10-15% of the existing foundation was kept. The foundation is almost all new as well."
17. On January 26, 2017, PG completed another PDS. On this version, PG again answered "yes" to the question "Has a final building inspection or a final occupancy permit been approved." At that time neither Hamzehali nor Renzullo had received an occupancy permit or confirmation of passing final building inspection from PG. In fact there would be no occupancy permit for the 2016 House because the District of West Vancouver (the "District") only provided occupancy permits for newly

constructed homes, and it considered the 2016 House to be a renovation. In addition, the final building inspection had not been passed at that time.

18. The District determined that the 2016 House was a renovation because it assessed the 2016 House as under 75% brand new construction, based on the application materials submitted from the developer.
19. Suvorov, on behalf of her client, the Purchaser, contacted Renzullo in March 2017 to arrange a viewing of the Property.
20. On April 7, 2017, the Property was sold to the Purchaser in a contract of purchase and sale dated April 7, 2017, for \$6,725,000. The completion date was May 4, 2017, and possession was May 5, 2017. The Property sold for \$6,725,000 inclusive of the GST which the Seller paid.
21. At no time did Hamzehali or Renzullo, as his licensed assistant, take steps to obtain occupancy permits for the Property from the District or confirm with the District that final inspection had passed.
22. The Purchaser did not discover that a portion of the old foundation remained and that the home was not considered a new build by the District until after purchasing the Property. After the Transaction, the Purchaser was required by the District to complete certain modifications to the 2016 Home in order to pass final inspection. This resulted in inconvenience and cost to the Purchaser.
23. On May 29, 2018, the Purchaser commenced a civil action in the BC Supreme Court against various defendants including the Seller, PG, Hamzehali and Hamzehali PREC, and insurance providers claiming damages (the "Civil Action"). The Civil Action was resolved by a private settlement agreement in June 2023.
24. The District's final inspection was approved on November 28, 2023.
25. The BC Housing New Homes Registry indicated that the Property's new home warranty commenced on May 4, 2017.
26. BC Housing administers the Homeowner Protection Act (the "HPA"). The HPA governs owner builders and dictates when new home warranties are required and what they must cover. For the purposes of the HPA, a "substantially reconstructed" property can qualify as a new build.
27. BC Housing considers a home to be substantially renovated and thus a new home for the purposes of the HPA, if:
 - a. A home has been changed so that 25% or less of the original structure above the foundation remains; or
 - b. 75% or more of the reconstructed home is new.
28. The Notice of Discipline Hearing ("NODH") in this matter was issued on February 7, 2024. An amended NODH was issued on March 18, 2024 to amend the hearing dates, and a second amended NODH was issued on October 1st, 2024 to revise the charges.
29. Renzullo has no prior disciplinary history.

PROPOSED FINDINGS OF MISCONDUCT

For the sole purposes of the Proposal and based on the Facts outlined herein, Renzullo proposes the following findings of misconduct be made by the Superintendent:

1. Renzullo committed professional misconduct within the meaning of section 35(1)(a) of the RESA in that, in or about December 2016 to April 2017, while providing trading services as a licensed assistant and representing herself as a member of the listing agent's team to the seller of a property at [Property 1], West Vancouver, BC (the "Property"), she:
 - a. Failed to act with reasonable care and skill when she failed to discover and disclose that the Property did not have a final completed building inspection and occupancy permit from the District of West Vancouver, contrary to sections 34 of the Rules (then section 3-4); and
 - b. Failed to act with reasonable care and skill when she allowed the seller of the Property to make a false and/or misleading statement in the Property Disclosure Statement dated January 30, 2017, when the seller selected "yes" when answering "has the final building inspection been approved or a final occupancy approved?", contrary to section 34 of the Rules (then section 3-4).

PROPOSED ORDERS

Based on the facts herein and the Proposed Findings of Misconduct, Renzullo proposes that the Notice of Discipline Hearing in this matter be resolved through the following Orders being made by the Superintendent, pursuant to section 43 of the RESA:

1. Renzullo pay a discipline penalty to BCFSA in the amount of \$15,000 within three (3) months from the date of this Order.
2. Renzullo pay enforcement expenses to BCFSA in the amount of \$2,000 within two (2) months from the date of this Order.
3. If Renzullo fails to comply with any of the terms of this Order, the Superintendent may suspend or cancel Renzullo's licence without further notice to her.

ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT

1. Renzullo 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. Renzullo acknowledges that she has 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 she has obtained independent legal advice or has chosen not to do so, and that she is making the Proposal with full knowledge of the contents and the consequences if the Proposal is accepted.
3. Renzullo 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. Renzullo hereby waives her right to appeal pursuant to section 54 of the RESA.

5. If the Proposal is accepted and/or relied upon by the Superintendent, Renzullo will not make any public statement(s) inconsistent with the Proposal and its contents. Nothing in this section is intended to restrict Renzullo from making full answer and defence to any civil or criminal proceeding(s).
6. The Proposal and its contents are made by Renzullo 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 Renzullo in any civil proceeding with respect to the matter.

"Original signed by Lora Renzullo"

Lora Renzullo

Dated 1 day of January, 2025