CITATION: Golshani (Re), 2025 BCSRE 13
Date: 2025-01-24
File # 19-063

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

MOLENIA GOLSHANI
(152362)

CONSENT ORDER

[This Order has been redacted before publication.]

RESPONDENT:	Molenia Golshani, Trading Representative, Evergreen West Realty Inc. dba Evergreen West Realty
DATE OF CONSENT ORDER:	January 24, 2025
COUNSEL:	Menka Sull, Legal Counsel for the BC Financial Services Authority Raminder Arora, Legal Counsel for the Respondent

PROCEEDINGS:

On January 24, 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 Molenia Golshani ("M.Golshani").

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

NOW THEREFORE, having made the findings proposed in the attached Proposal, and found that M. Golshani committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act* ("RESA") and sections 30(a), 33, 34 and 41 of the *Real Estate Services Rules* (the "Rules"), and committed conduct unbecoming a licensee within the meaning of section 35(2) of the RESA, pursuant to section 43 of the RESA the Superintendent orders that:

1. M. Golshani's license be cancelled;

2. M. Golshani pay a discipline penalty to BCFSA in the amount of $75,000 within six (6) months from the date of this Order; and

3. M. Golshani pay enforcement expenses to BCFSA in the amount of $7,000 within six (6) months from the date of this Order.

Dated this 24 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.

File # 19-063

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

MOLENIA GOLSHANI
(152362)

CONSENT ORDER PROPOSAL BY MOLENIA GOLSHANI

BACKGROUND AND FACTS

This Consent Order Proposal (the "Proposal") is made by Molenia Golshani ("M. Golshani") 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, M. Golshani and the Superintendent have agreed upon the following facts:

1. M. Golshani has been continually licensed as a trading services representative since July 24, 2007, with the exception of two periods of time between July 7 to 10, 2012 and July 24, 2019 to March 22, 2020, when she was unlicensed.

2. M. Golshani was at all relevant times licensed as a trading services representative with Evergreen West Realty.

<u>Background to the Investigation</u>

3. In 2017, the then Financial Institutions Commission of BC ("FICOM") received an anonymous complaint, alleging that Jay Kanth Chaudhary also known as Mike Kumar ("Chaudhary"), had been working with mortgage brokers and real estate agents to secure mortgage funding on behalf of buyers using fraudulent documentation.

4. Chaudhary, who was previously registered as a submortgage broker, had been suspended on October 16, 2008, by the then Acting Registrar of Mortgage Brokers for knowingly submitting false information to lenders for them to act upon as if that information was genuine (the "Suspension Order").

5. Chaudhary did not renew his registration following the Suspension Order.

6. On January 30, 2019, the Acting Registrar of Mortgages signed two Orders to Enter Chaudhary's residences.

7. While searching Chaudhary's residences, FICOM investigators seized fax machines, cell phones, portable drives, and mortgage files that Chaudhary had been working on.

8. During this search, an Excel spreadsheet entitled “Work Flows 2018” (the “Chaudhary Spreadsheet”) was located on Chaudhary’s computer. The Chaudhary Spreadsheet identified M. Golshani as a buyer’s agent in relation to a number of transactions in which the purchasers used Chaudhary’s unregistered mortgage services to secure mortgage financing. The Chaudhary Spreadsheet also identified M. Golshani as a client of Chaudhary’s in relation to her purchase of a property located at [Property 1], Vancouver.

9. On May 23, 2019, the Acting Registrar of Mortgage Brokers issued a Cease and Desist Order against Chaudhary restraining him from carrying on business as a mortgage broker or submortgage broker, from acting as or holding out as a mortgage broker or submortgage broker in BC, and from conducting any unregistered mortgage broker activity in BC in any capacity.

10. Chaudhary has since acknowledged that he provided unregistered mortgage services to a number of individuals and that he altered documents in order to obtain mortgage financing for his clients. As Chaudhary was not registered, he used the services of registered mortgage brokers to submit the fraudulent mortgage documents he created to major lenders.

11. Chaudhary has also acknowledged charging a commission for the mortgages he secured and then paying a portion of his commission to licensees who referred clients to him.

<u>BCFSA Investigation</u>

12. On June 7, 2019, the then Real Estate Council of BC (“RECBC”) received a referral from FICOM identifying M. Golshani as a referral source for Chaudhary in connection with his unregistered mortgage broker services.

13. On August 20, 2019, M. Golshani attended an interview with FICOM investigators.

14. On April 20, 2022, M. Golshani was informed that she was under investigation by the BCFSA pursuant to s. 37(1) of RESA.

15. M. Golshani attended a further interview with BCFSA investigators on May 9, 2022.

16. A Notice of Discipline Hearing was issued on March 7, 2023, and served on M. Golshani.

17. An Amended Notice of Discipline Hearing was issued on October 16, 2023, and also served on M. Golshani.

18. M. Golshani does not have a discipline history with BCFSA.

<u>Client Referrals to Chaudhary</u>

19. M. Golshani referred at least fourteen (14) clients to Chaudhary between 2013 and 2018, including the purchasers of the following properties:

    a. [Property 2], Coquitlam;

    b. [Property 3], Coquitlam;

    c. [Property 4], Port Moody;

    d. [Property 5], Port Moody;

    e. [Property 6], Coquitlam;

    f. [Property 7], Coquitlam;

g. [Property 8], Coquitlam;

h. [Property 9], Coquitlam;

i. [Property 10], Maple Ridge;

j. [Property 11], Coquitlam;

k. [Property 12], Coquitlam;

l. [Property 13], Port Coquitlam;

m. [Property 14], Coquitlam (the "[Property 14]");

n. [Property 15], Coquitlam (the "[Property 15]"); and

o. [Property 16], Coquitlam (the "[Property 16]");

20. M. Golshani acknowledges that trading services representatives should verify the credentials of professionals they recommend to their clients, including that they possess any licences or registrations required to provide their services.

21. Prior to recommending Chaudhary's services to her clients, M. Golshani did not take any steps to verify Chaudhary's registration as a mortgage broker, including by making any inquiries into Chaudhary's registration status with the Registrar of Mortgage Brokers.

<u>[The Property 14] Transaction</u>

22. On October 23, 2017, M. Golshani's buyer clients entered into a contract of purchase and sale to purchase [Property 14].

23. On October 31, 2017, the buyers provided the sellers a purchase deposit of $20,000.

24. M. Golshani assisted the buyers with arranging financing for the [Property 14] purchase by assembling their financial documents and providing them to Chaudhary.

25. The buyers allege that M. Golshani collected a cash "lender fee" of approximately $7,000 from the buyers in order to arrange the mortgage financing. Ms. Golshani denies receiving any lender fee.

26. On October 31, 2017, on the advice of M. Golshani and on the understanding that mortgage financing had been approved, the buyers removed subjects from the contract of purchase and sale.

27. However, Chaudhary was unable to secure mortgage financing, and the buyers subsequently forfeited their deposit.

28. On May 25, 2018, the buyers filed a Notice of Civil Claim against M. Golshani and others. The claim was subsequently settled.

<u>[Property 15] and [Property 16]</u>

29. M. Golshani represented the buyer in relation to his purchase of [Property 15] in December of 2015.

30. In the same month, the buyer entered into a private sale contract to purchase [Property 16]. M. Golshani did not represent the buyer with respect to [Property 16] purchase.

31. M. Golshani was aware that the buyer intended to purchase both properties and she referred the buyer to Chaudhary to obtain mortgage financing for both properties.

32. In each of the mortgage applications dated January 6, 2016, the buyer falsely represented that the buyer would occupy both the [Property 16] and [Property 15] properties.

33. On January 7, 2016, Chaudhary sent email correspondence to M. Golshani instructing the buyer to retain two different solicitors to complete the transactions because each property was indicated as being owner-occupied.

34. M. Golshani relayed Chaudhary's instructions to the buyer.

[Property 1]

35. M. Golshani represented herself in the purchase of a property located at [Property 1], Vancouver (the "[Property 1] Property") after the pre-sale contract was assigned to her.

36. M. Golshani used Chaudhary's services to obtain mortgage financing for [Property 1] and provided her financial documents to Chaudhary.

37. M. Golshani's genuine income tax records indicate that she had a negative net income of approximately $244 in 2012 and a negative net income of approximately $459 in 2013.

38. On September 23, 2014, Shima Soltani, then a registered mortgage broker with DLC MetroCentre Financial, submitted a mortgage application to [Lender 1] ("[Lender 1]") on behalf of M. Golshani in relation to [Property 1].

39. The [Property 1] mortgage application falsely represented that M. Golshani had an annual income of $121,268 and a savings account balance of $90,000.

40. On September 30, 2014, M. Golshani signed a mortgage commitment letter with [Lender 1] for $[redacted] in mortgage financing.

41. The [Lender 1] commitment letter provided that financing was conditional upon M. Golshani providing her savings account history for three months and her notices of assessment for the previous two years.

42. The [Property 1] mortgage application was supported by fraudulent documents created by Chaudhary, including income tax documents indicating M. Golshani's net income was $102,873.30 in 2012 and $108,027.28 in 2013.

43. On November 20, 2014, [Lender 1] registered the mortgage on title to [Property 1].

Advertisements

44. M. Golshani placed advertisements in a Farsi-language newspaper from 2017 to 2019 representing, among other things, that she worked with a team of mortgage brokers who could provide mortgage services for clients without proof of income.

PROPOSED FINDINGS OF MISCONDUCT

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

1. M. Golshani committed professional misconduct within the meaning of section 35(1)(a) of the RESA and conduct unbecoming within the meaning of section 35(2) of the RESA in that:

   a. M. Golshani referred at least 14 buyer clients over 15 transactions to Chaudhary from 2013 to 2018 when she ought to have known that he was not a registered mortgage broker, thereby putting M. Golshani's clients at risk, contrary to section 30(a) [duty to act in the best interests of the client] (formerly section 3-3(a)), section 33 [duty to act honestly] (formerly section 3-4) and section 34 [duty to act with reasonable care and skill] (formerly section 3-4) of the Rules;

   b. M. Golshani referred her clients, the buyers of a property located at [Property 14], Coquitlam, in 2017 to Chaudhary, who she ought to have known was not a registered mortgage broker, and the clients paid a lender fee to obtain mortgage financing which Chaudhary subsequently failed to arrange, resulting in the buyers losing their deposit, contrary to section 30(a) [duty to act in the best interests of the client] (formerly section 3-3(a)), and section 34 [duty to act with reasonable care and skill] (formerly section 3-4) of the Rules;

   c. M. Golshani facilitated her client, the buyer of two separate properties located at [Property 15], Coquitlam and [Property 16], Coquitlam, in providing false and misleading information to lenders in January 2016 about the occupancy status of each property, contrary to section 33 [duty to act honestly] (formerly section 3-4) and section 34 [duty to act with reasonable care and skill] (formerly section 3-4) of the Rules;

   d. M. Golshani allowed a mortgage application to be submitted in 2014 in relation to her purchase of a property located at [Property 1], Vancouver, for which she represented herself as the buyer,

      i. with falsified income and savings information, contrary to section 35(1)(c) [deceptive dealing] of the RESA and section 33 [duty to act honestly] (formerly section 3-4) of the Rules; and

      ii. using the services of Chaudhary, who she ought to have known was not a registered mortgage broker, contrary to section 33 [duty to act honestly] (formerly section 3-4) and section 34 [duty to act with reasonable care and skill] (formerly section 3-4) of the Rules;

   e. M. Golshani placed advertisements in Farsi-language newspapers from 2017 to 2019 indicating she could provide mortgage services for clients without proof of income, contrary to section 33 [duty to act honestly] (formerly section 3-4), section 34 [duty to act with reasonable care and skill] (formerly section 3-4), and section 41 [false or misleading advertising] (formerly section 4-7) of the Rules.

PROPOSED ORDERS

Based on the Facts herein and the Proposed Findings of Misconduct, M. Golshani 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 RESA:

1. M. Golshani's licence be cancelled;

2. M. Golshani be liable to pay a discipline penalty to BCFSA in the amount of $75,000 within six (6) months from the date of this Order; and

3. M. Golshani be liable to pay enforcement expenses to BCFSA in the amount of $7,000 within six (6) months from the date of this Order.

ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT

1. M. Golshani acknowledges 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 a disciplinary hearing.

2. M. Golshani 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 Amended 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. M. Golshani 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. M. Golshani 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 M. Golshani will not make any public statement(s) inconsistent with the Proposal and its contents. Nothing in this section is intended to restrict M. Golshani from making full answer and defence to any civil or criminal proceeding(s).

6. The Proposal and its contents are made by M. Golshani for the sole purpose of resolving the Amended 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 M. Golshani in any civil proceeding with respect to the matter.

"Original signed by Molenia Golshani"

____

MOLENIA GOLSHANI

Dated _20_ day of __January___, 202_4_