Citation: Hothi (Re), 2026 BCSRE 214
Date: 2026-09-04
File No. 23-4968

On October 1, 2026, the panel chair of the Financial Services Tribunal (FST) granted an interim stay of this decision until the main stay application can be heard. The FST's decision can be viewed here: 2026_BCFST_5.pdf

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

AND IN THE MATTER OF

RIMPY HOTHI
(150979)

AND

RIMPY HOTHI PERSONAL REAL ESTATE CORPORATION
(150979PC)

REASONS REGARDING ORDER IN URGENT CIRCUMSTANCES

[These Reasons have been redacted before publication.]

Date of Hearing:	Written Submissions Received August 18 and 27, 2026 Oral Submissions Received August 27, 2026
Counsel for BCFSA:	Amandeep Sandhu
Hearing Officer:	Gareth Reeves

Introduction

1. The BC Financial Services Authority ("**BCFSA**") has applied, pursuant to section 45 of the *Real Estate Services Act*, SBC 2004, c 42 ("**RESA**") and without notice, to suspend Rimpy Hothi's and Rimpy Hothi Personal Real Estate Corporation's (collectively, "**Ms. Hothi**") licences, to prohibit Ms. Hothi from acting as an unlicensed assistant during the suspension, to order Ms. Hothi to change the registered name of the Rimpy Hothi Group real estate team within ten days of the order, and to prohibit Ms. Hothi from using the team name "Rimpy Hothi Group" for the duration of the suspension.

2. BCFSA argues that there are reasonable grounds to believe that the Superintendent of Real Estate (the "**superintendent**") could make an order under section 43 of RESA as a result of professional misconduct or conduct unbecoming within the meaning of sections 35(1) and 35(2) of RESA, that the length of time it would take to complete an investigation or hold a discipline hearing to permit an order under section 43 of RESA would be detrimental to the public interest, and that it is in the public interest to make an order under section 45 of RESA.

3. This application was provided by way of written submissions and evidence. I directed an oral hearing to receive further submissions on August 27, 2026. BCFSA provided written submissions

in relation to that oral hearing on that date. BCFSA provided further affidavit evidence on August 28, 2026.

Issues

4. The issues are:

    a. Should an interim order suspending Ms. Hothi's licence be issued pursuant to section 45(2)(a) of RESA?

    b. Should an interim order prohibiting Ms. Hothi from acting as an unlicensed assistant during the suspension be issued pursuant to section 45(2)(c)?

    c. Should an interim order directing Ms. Hothi to change the registered name of Rimpy Hothi Group real estate team within ten days of the order be issued pursuant to section 45(2)(c)?

    d. Should an interim order prohibiting Ms. Hothi from using the team name "Rimpy Hothi Group" for the duration of the suspension be issued pursuant to section 45(2)(c)?

Jurisdiction

5. Pursuant to section 2.1(3) of RESA the superintendent may delegate any of its powers. The superintendent has delegated the statutory powers and duties set out in sections 42 through 53 of RESA to the Senior Hearing Officer and Hearing Officers of the Hearings Department of BCFSA.

Background

6. The evidence and information before me in this application is contained in the affidavits of Manager of Investigations for BCFSA, [Investigator 1], dated August 17, 2026 and August 28, 2026, and the written and oral submissions of BCFSA dated August 18, 2026 and August 27, 2026. [Investigator 1]'s affidavits are extensive and, as a result, I will not reiterate all the information contained in those affidavits here. I have read the affidavits and all of their exhibits in preparing these reasons and the below is intended to provide a summary of the material before me and not a comprehensive review of all the material before me.

7. As a general point, I note that there are certain misdescriptions of the contents of the exhibits to [Investigator 1]'s affidavit in the body of the affidavit. For example, in paragraphs 129 and 130 of his first affidavit he describes Disclosure of Representation in Trade forms as "Disclosure of Interest in Trade" forms and provides incorrect dates for certain documents. I note that some of those documents do contain multiple dates. In my view, these errors appear to be slips or clerical errors and therefore unintentional as opposed to attempts to mischaracterize the documents. That said, I have decided to prefer the contents of the documents themselves to [Investigator 1]'s descriptions of them, where available.

Regulatory History

8. Ms. Hothi has been licensed as a representative in the trading services category since February 7, 2007. Rimpy Hothi Personal Real Estate Corporation has been licensed since June 27, 2016 and has been licensed in the same fashion as Ms. Hothi at all times thereafter.

9. The Rimpy Hothi Group has been registered as a team under the *Real Estate Services Rules*, BC Reg 209/2021 (the "**Rules**") since August 8, 2023. The Rimpy Hothi Group currently had five members including [Licensee 1] at the date of [Investigator 1]'s first affidavit. [Investigator 1] avers that [Licensee 1] has been a member of the Rimpy Hothi Group since August 24, 2023.

10. On August 1, 2023, BCFSA issued Ms. Hothi a letter of advisement. The events giving rise to the letter of advisement were not the subject of a formal disciplinary or enforcement proceeding and I therefore only conclude that Ms. Hothi was reminded of her obligations under sections 21, 34,

and 30(d) of the Rules at that time, not that she contravened those sections. I note that the letter of advisement reminded Ms. Hothi specifically of her obligations to familiarize herself with the obligations of her clients under the *Residential Tenancy Act*, SBC 2002, c 78 and the obligation to advise clients to seek independent professional advice if they are unable to complete subject-free transactions.

11. Ms. Hothi was also subject to administrative penalties in BCFSA files numbered 24-5431 and 24-5432 on December 3, 2024 and January 17, 2025, respectively: *[Citation 1]* and *Hothi (Re)*, 2025 BCSRE 25. I reviewed and confirmed both of those administrative penalties: see *[Citation 2]* and *Hothi (Re)*, 2025 BCSRE 43. In those proceedings, Ms. Hothi was found to have contravened sections 21, 40(2), 40(3)(b), 40(6), and 41 of the Rules. Those contraventions relate to failures to promptly respond to BCFSA and to various advertising contraventions.

Complaints and Investigations

12. Ms. Hothi has been the subject of 28 regulatory complaints since 2020, with 17 of those complaints being received by BCFSA since 2023.

13. One of those complaints was resolved by the above noted letter of advisement. Eight other complaints have led to investigations, which are set out below.

14. The contents of *[Citation 1]* indicate that it related to a failure to deliver requested documents in relation to an investigation under file number 20-896. I describe the details of file number 20-896 below.

15. It is not clear to me how the 19 complaints that did not result in investigations have been addressed.[1] It is not clear to me whether *Hothi (Re)*, 2025 BCSRE 25 arose from a complaint.

16. The following are summaries of the matters subject to investigations.

File Number 20-896 – [Property 1]

17. The investigation under file number 20-896 was commenced as a result of a complaint filed by [Buyer 1] on November 26, 2020 regarding her purchase of [Property 1], Vancouver (the "**[Property 1]**"). Ms. Hothi represented the seller, [Seller 1] ("**[Seller 1]**"). The contract of purchase and sale was dated January 6, 2020 for a purchase price of $1,600,000 and a closing date of February 10, 2020 (the "**[Property 1] CPS**"). The property disclosure statement for the transaction was completely struck through. The [Property 1] CPS itself contained no information regarding unauthorized suites or unpermitted work on [Property 1] but did contain warranties and covenants regarding the use of [Property 1] for the production of illegal substances and the presence of an oil tank.

18. [Buyer 1] was represented by [Licensee 2], a licensee.

19. [Buyer 1] alleged that a stop work order issued by the City of Vancouver was not disclosed to her and that the City has required her to restore an unauthorized suite to its original condition, to an attached garage, or to a legal suite. She alleged that this could cost $150,000 to $175,000.

20. I note that Ms. Hothi stated, in a written statement dated November 4, 2024, that there were two addendums to the [Property 1] CPS: one dated January 13, 2020 and one dated January 16, 2020. The deal file from Ms. Hothi's brokerage in evidence before me does not include a January 13, 2020 dated addendum. It does include a January 16, 2020 dated subject removal document. It is not clear to me if the whole deal file has been provided. The fact that there was an addendum dated around January 13, 2020 is supported by a January 14, 2020 text message

[1] I calculate this number by subtracting the number of complaints that resulted in investigations or a letter of advisement from the 28 total complaints.

from [Licensee 2] indicating that he sent Ms. Hothi "the addendum and the inspection report" and asked for it to be signed by the seller.

21. The fact that there was a January 16, 2020 addendum is supported by the text messages from [Licensee 2] on January 16, 2020 in which he indicated his client wanted to pull out of the [Property 1] CPS and would not remove subjects because of the tenancy and other problems with the property, but later that day providing a photograph of drafts or cheques, which appear to be payment of the deposit required under the [Property 1] CPS.

22. Ms. Hothi first listed [Property 1] on September 23, 2019. The first listing noted that the property was tenanted and stated, "3 bedrooms up and 2-bedroom newly updated suite down" in the public remarks. It also indicated [Property 1] had five bedrooms. Notably, on September 26, 2019, the listing was updated at 3:45 pm to include realtor remarks stating "Property contains unauthorized accomodation" [*sic*]. Then at 3:53 pm the realtor and public remarks were removed. On September 30, 2019, the public remarks were added back in, including the statement "3 bedrooms up and 2-bedroom newly updated suite down".

23. That first listing was cancelled in December 2019 and the property was relisted on January 2, 2020. The second listing noted that the property had an unauthorized suite, had eight bedrooms, and also stated that the property was vacant, as opposed to tenanted.

24. [Buyer 1] stated to BCFSA, in an interview, that Ms. Hothi advertised [Property 1] as having eight bedrooms when it did not. She did not specify the number of bedrooms.

25. In her investigatory interview with BCFSA, Ms. Hothi stated the following:

> "… The tenant that was there we removed after was already living there, so was always – there was always like somebody living downstairs, but he just cleaned it up and he made it – like separated it. …" [October 15, 2024 Interview of Rimpy Hothi, page 16, lines 21-25]
>
> "… There weren't – well, tenants, ideally – their stuff was there, but they didn't live there. He lived there with – like they had – they were going – they were just using that as a spot to park their stuff, but they weren't actually living there, if that makes sense. But their stuff was there. So it was getting the – the stuff was getting removed, let's put it this way here. …" [October 15, 2024 Interview of Rimpy Hothi, page 63, lines 8-15]

26. In a November 4, 2024 written statement to BCFSA, Ms. Hothi stated "Note that no lease agreement was in place, although tenant belongings remained at the property which were removed before possession of the property."

27. I also note that Ms. Hothi texted [Licensee 2] on January 12, 2020 to state, in part, "I was just informed the owner had one of the basement suites rented as of the Jan 15 – 2 bedroom for $1,600 pls knock before you open the door" [*sic*].

28. BCFSA interviewed the tenant and summarized some of her statements in an email to her, which she confirmed. In brief, those statements indicated that the tenant lived in [Property 1] in a basement suite from December 2019 to February 11, 2020. She confirmed that she had been living in another property owned by [Seller 1] and had moved into [Property 1] without a rental agreement during the process of [Seller 1] selling that other property.

29. Evidence from the City of Vancouver inspector indicates that active renovation work was being done at [Property 1] on November 14, 2019 and electrical and plumbing rough ins had been completed with new walls to enclose the garage to provide more living space with one or two more suites. The evidence establishes that the City of Vancouver issued a Stop Work Notice on

November 14, 2019, ordered [Seller 1] to stop work and restore the building to its last approved condition within 30 days on November 29, 2019, and ordered [Seller 1] to obtain permits to either restore the property or to complete the work within 14 days on January 20, 2020. The Stop Work Notice was posted to the door of [Property 1].

30. The evidence obtained in the BCFSA's investigation indicates that [Seller 1] advised Ms. Hothi that an unauthorized suite was constructed on [Property 1] and told her not to contact the City of Vancouver regarding the issue on January 4, 2020. Ms. Hothi stated in her interview that she knew about the unauthorized suite and had her assistant attempt to contact the City of Vancouver but had not received a response before relisting. The evidence indicates that she may have known about an unauthorized suite, or the intention to build one, as early as September 23, 2019 when she made an amendment to the original listing to note [Property 1] contained unauthorized accommodation but deleted that amendment within minutes; however, it is not clear when the renovation work started.

31. During the investigation, Ms. Hothi provided BCFSA with a January 3, 2020 dated document purportedly signed by [Seller 1] in which he warrants that there were "no outstanding work orders" for [Property 1] (the "**[Seller 1] Letter**"). The [Seller 1] Letter also provides warranties regarding oil tanks and the use of [Property 1] for marijuana. Ms. Hothi stated in her interview that she prepared this document and had it signed by [Seller 1] because she had called the City of Vancouver but was not getting a response regarding the permitting status of [Property 1]. She did not provide this document to [Licensee 2] or [Buyer 1].

32. The evidence indicates that, on January 6, 2020, [Buyer 1], through [Licensee 2], made an offer to purchase [Property 1] for $1,550,000. In response, Ms. Hothi texted [Licensee 2] to note that she had received four offers and to ask if this was the best offer from [Buyer 1]. [Licensee 2] said that Ms. Hothi told him that [Buyer 1]'s offer was the lowest and did not clarify that the other offers were verbal. Ms. Hothi's evidence regarding the offers was that she had received three verbal offers on [Property 1] with proposed purchase prices of $1,650,000, $1,540,000, and $1,500,000. She stated in a written statement to BCFSA during the investigation that she clarified to "other interested parties" the amounts of the offers and the fact that they were verbal. I note that only one of the verbal offers she received were higher than [Buyer 1]'s initial offer.

33. The evidence indicates that, on January 7, 2020, [Buyer 1], through [Licensee 2], made a revised offer that became the [Property 1] CPS. [Licensee 2] said Ms. Hothi told him her client would accept the $1,600,000 price and that he thought the price was high.

34. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she failed to confirm the Stop Work Notice and Orders with the City of Vancouver and failed to disclose them to [Buyer 1], contrary to then sections 3-4 and 5-13(2) of the Rules;

    b. she failed to provide the [Seller 1] Letter to [Buyer 1], contrary to then section 3-4 of the Rules;

    c. she removed the note in the first listing that [Property 1] contained unauthorized accommodation contrary to then section 3-4 of the Rules;

    d. she advised [Licensee 2] that she had received three offers higher than [Buyer 1]'s initial offer, when only one offer was higher and all three offers were verbal, contrary to then section 3-4 of the Rules;

e. she misrepresented that [Property 1] was vacant when it was tenanted in the January 2, 2020 listing and to BCFSA during the investigation contrary to section 3-4 of the Rules and 37(4) of RESA.

35. File number 20-896 was transferred to BCFSA's Compliance and Enforcement Legal Department ("**BCFSA Legal**") on June 12, 2026 to consider discipline proceedings.

File Numbers 23-4968 and 24-5144 – [Property 2]

36. The investigation under file numbers 23-4968 and 24-5144 was commenced as a result of a complaint filed by [Seller 2] on behalf of herself, [Seller 3], and [Seller 4] (the "**[Property 2] Sellers**") on October 24, 2023 and a complaint filed by [Buyer 2] on behalf of [Buyer 2] and [Buyer 3] (the "**[Property 2] Buyers**") on March 5, 2024. The complaints were in regard to Ms. Hothi's conduct in relation to the collapsed sale of [Property 2], Surrey ("**[Property 2]**").

37. [Seller 2] said, in her complaint, that Ms. Hothi was the listing agent for [Property 2]. She stated that the contract of purchase and sale for [Property 2] (the "**[Property 2] CPS**") provided for a sale price of $2,499,000 and that a "fraudulent" addendum was executed providing that the [Property 2] Sellers would pay $259,000 to the [Property 2] Buyers (the "**[Property 2] Credit Addendum**"). She said that she and [Seller 4] did not sign the [Property 2] Credit Addendum, that it came in the day before closing, and that the [Property 2] CPS did not close as a result. She also said the [Property 2] Buyers were permitted to move into [Property 2] the day before closing without her or [Sellller 4]'s consent. [Seller 2] complained that Ms. Hothi was the listing agent for [Property 2] but also represented the [Property 2] Buyers in selling their home at [Redacted], Delta, BC (the "**Delta Property**") after the [Property 2] CPS was formed but before it closed.

38. [Buyer 2] said, in his complaint and his interview, that he contacted Ms. Hothi to see [Property 2]. He said that he intended to bring in a friend to be his realtor, but that Ms. Hothi said he should not waste money on another licensee and that she would give him a good deal if he came into the transaction unrepresented. He said he signed a disclosure saying Ms. Hothi was not representing him but that Ms. Hothi said she would be with him "every step of the way".

39. [Buyer 2] said Ms. Hothi prepared the offer that became the [Property 2] CPS herself, including the price, and he was wary, but that Ms. Hothi reassured him it was a good deal and he could make a profit off it. He said that he told her the next day that the price was too high and she said she would get the [Property 2] Sellers to lower the price. He said that Ms. Hothi was able to reduce the price to $2,240,000 and that they signed a new agreement on July 9, 2023, which was the [Property 2] Credit Addendum.

40. [Buyer 2] said that after he told Ms. Hothi that he could not pay the full $100,000 deposit right away, Ms. Hothi asked him to pay $75,000 directly to the [Property 2] Sellers and was adamant that they wanted the funds directly. [Buyer 2] said that Ms. Hothi advised that paying the funds directly to the [Property 2] Sellers was normal and would not be risky and that she would hold the drafts.

41. [Buyer 2] said Ms. Hothi offered to sell the Delta Property for them in exchange for a $5,000 commission "kind of bundled up" with the [Property 2] sale. He said he signed the listing documents on July 9 or 10, 2023 but, unbeknownst to him, the commission was higher than agreed. He said that Ms. Hothi obtained an offer to purchase the Delta Property with a possession date of September 28, 2023 and she said she would resolve the issue soon. He said that Ms. Hothi later advised that she could not move the completion or possession dates but that [Seller 3] was willing to let the [Property 2] Buyers move in a day early, although [Seller 2] did not agree to this. He said that when the Delta Property closed, he negotiated with Ms. Hothi to reduce her commission from $15,000 to $10,000.

42. [Buyer 2] said that Ms. Hothi told him that he should come to [Property 2] on September 28, 2026 after moving out of the Delta Property, because the [Property 2] Sellers were almost moved out. When they arrived at [Property 2] on September 28, 2023, [Seller 3] directed him to unload their moving truck in the garage and once that was full, Ms. Hothi directed them to take things upstairs because it was empty.

43. [Buyer 2] said that, while he was moving into [Property 2], Ms. Hothi asked for a $188,000 draft payable to the [Property 2] Sellers' notary, [Notary 1], that [Seller 3] needed the funds to close on another property at [Redacted], Surrey (the "**Surrey Property**"), that those funds would be credited toward the [Property 2] Buyers' purchase of [Property 2] on September 29, 2023, and that the [Property 2] Buyers should pay these funds because the [Property 2] Sellers had let them move in early. [Buyer 2] then obtained a draft for $188,000 and paid it to [Notary 1].

44. After paying the $188,000, [Buyer 2] received the keys to [Property 2] from [Seller 3] at Ms. Hothi's direction. He said that on the evening of September 28, 2026, [Seller 2] arrived at [Property 2] and instructed him and his family to leave. He said that the police were called and that Ms. Hothi was called. He said that Ms. Hothi prepared an extension document to extend the closing by a day, which he signed but the [Property 2] Sellers must not have.

45. [Buyer 2] said that his notary sent letters confirming that the [Property 2] Buyers were ready, willing and able to complete the purchase and asking for the return of the $188,000. He said that they were advised that the $188,000 had already been spent. He said that the [Property 2] Buyers stayed at [Property 2] on Ms. Hothi's advice. He said that on February 9, 2024, the [Property 2] Sellers came to [Property 2], the police were called, and the encounter resulted in the [Property 2] Buyers moving out and finding rental accommodation. He said he lost $263,000, in his payment to the [Property 2] Sellers' notary and payment of the deposit funds, and has spent $30,000 in legal fees and moving expenses.

46. Ms. Hothi's brokerage's file for [Property 2] obtained by BCFSA included the [Property 2] CPS, the [Property 2] Addendum, two listing agreements, a subject removal form dated July 14, 2023, and statutory disclosure forms indicating that Ms. Hothi was representing the [Property 2] Sellers and that the [Property 2] Buyers were self represented.

47. Regarding the two listing agreements, one was dated to commence the listing on June 9, 2023 and one was dated to commence the listing on July 10, 2023, after the [Property 2] CPS was formed. The evidence before me indicates the [Property 2] Sellers wanted to keep listing [Property 2] in case the [Property 2] CPS fell through. I note that Ms. Hothi stated to BCFSA during the investigation that when she first listed the Property, or shortly thereafter, she discovered that the DocuSign signature on the listing agreement purporting to be [Seller 3]'s was not his and he had not DocuSigned the listing agreement. She stated she obtained authorization from [Seller 3] to proceed with the listing.

48. The [Property 2] CPS was dated July 7, 2023 but was entered into on July 9, 2023. It contained various subjects, which were removable by July 14, 2023. The closing and possession dates were September 28 and 29, 2023, respectively. The [Property 2] CPS indicated that Ms. Hothi acted for the [Property 2] Sellers and that the [Property 2] Buyers were unrepresented. It contemplated the payment of a $100,000 deposit to Ms. Hothi's brokerage within 24 hours of subject removal. The evidence before me indicates that this deposit was not paid but instead $75,000 was paid by way of three $25,000 drafts dated July 15, 2023 paid to each of the [Property 2] Sellers.

49. The [Property 2] Addendum provided that the [Property 2] Sellers would "give" the [Property 2] Buyers "$259,000 back" which would be reflected on the statement of adjustments. It appears that the [Property 2] addendum originally included the typed number $299,000, which was then crossed out and the number $259,000 was handwritten in and hand initialed by [Seller 3] and DocuSign initialed by the other parties.

50. Ms. Hothi's brokerage's file for the Delta Property included a listing contract dated July 9, 2023, and a contract of purchase and sale for the Delta Property dated August 16, 2023 with closing and possession dates of September 25 and 26, 2023, respectively. That contract and the disclosure documents in the file indicated that Ms. Hothi represented the [Property 2] Buyers in that sale.

51. In her initial statement to and interview with BCFSA during this investigation, Ms. Hothi stated that [Buyer 2] contacted her regarding [Property 2]. She stated that she did not provide any "advice, guidance, or support to the [[Property 2] Buyers] at any stage of the transaction." She said she told the [Property 2] Buyers that the [Property 2] Sellers were going to relist for $2,500,000, which comports with the July 10, 2023 dated listing agreement in Ms. Hothi's brokerage file. She denied telling [Buyer 2] not to obtain his own representation in order to save money. She said she made it clear that she was not representing the [Property 2] Buyers and had them sign disclosure forms immediately.

52. Ms. Hothi said that she prepared the [Property 2] Contract in the amount instructed by [Buyer 2] and advised him to get his own representation, to which he said he knew what he was doing. She stated that the [Property 2] Sellers accepted the [Property 2] CPS on July 7, 2023. I note that this aligns with [Seller 2]'s statement that the contract date was July 7, 2023, though it is not clear to me why the [Property 2] Sellers' acceptance is dated July 9, 2023 on the document itself.

53. Ms. Hothi also stated that [Buyer 2] told her on July 9, 2023 that his appraisal had come in at $2,200,000 and that he wanted a $299,000 price reduction and she revised the addendum to $259,000[2] on the [Property 2] Sellers' instructions. Specifically, Ms. Hothi stated that [Seller 2] initially refused to agree to the reduction in a phone call but then called back and agreed to a $259,000 reduction. She said the [Property 2] Credit Addendum was shared with the [Property 2] Sellers on July 11, 2023. I note that Ms. Hothi's response included a screenshot of a text message exchange on July 11, 2023 in which [Seller 2] stated the following "As i have confirmed My asking and [Seller 4]'s asking is $2260,000 and the best we can go with is $2240,000 after knowing what is the total amount of commission." [*sic*].

54. Ms. Hothi stated that the transaction did not close, in essence, because [Seller 2] had undisclosed liabilities that needed to be cleared from title to ensure completion and that [Seller 2] wanted to get more money out of her share of [Property 2] and from the other [Property 2] Sellers.

55. Ms. Hothi stated that she was only representing the [Property 2] Buyers in regard to the sale of the Delta Property. She also stated that the [Property 2] Sellers were aware of this arrangement and that she advised them that she had listed the Delta Property.

56. She stated that she told [Buyer 2] that the [Property 2] Sellers wanted the deposit paid directly to them and did not advise him of the risks associated with that because he was not her client. She stated that she did say to [Buyer 2] that sometimes the deposits are paid to the brokerage and sometimes they are paid to the Sellers directly.

57. Ms. Hothi denied facilitating or suggesting early possession of [Property 2] by the [Property 2] Buyers and stated that she told the parties, when she found out, that the [Property 2] Buyers should not have moved in before the possession date.

58. Regarding the $188,000 payment, Ms. Hothi stated she had overheard discussions about a payment from the Buyers to [Seller 3] at [Property 2] on September 28, 2023, felt uncomfortable about it and left, and did not give instructions to pay funds to the Sellers' notary. She said the

[2] I note that Ms. Hothi said "$249,000" in her statement. I assume, for this application, that this was a slip or clerical error.

$188,000 was an independent arrangement between the Buyers and Sellers. She said she was at [Property 2] that day "trying to accommodate the townhouse completion." It appears that this is a reference to the Surrey Property transaction.

59. Regarding the difference in possession dates between the sale of the Delta Property and [Property 2], Ms. Hothi stated that the buyers of the Delta Property insisted on a September 28, 2023 possession date and that Ms. Hothi asked [Seller 2] to move the [Property 2] dates up but [Seller 2] refused. She said the [Property 2] Buyers told her they had made arrangements to deal with the issue without advising her what those arrangements were.

60. On October 4, 2023, the [Property 2] Buyers commenced a civil claim in the BC Supreme Court seeking, among other things, specific performance of the [Property 2] CPS. I note that this claim specifically stated that the [Property 2] Buyers did not have an agent in relation to the [Property 2] CPS. The [Property 2] Buyers also filed a certificate of pending litigation against [Property 2] in relation to this claim.

61. On December 14, 2023, the [Property 2] Sellers commenced a civil claim in the BC Supreme Court seeking, among other things, damages against the [Property 2] Buyers, Ms. Hothi, and [Notary 1], among others. Then on January 3, 2024, the [Property 2] Buyers filed a counterclaim against the [Property 2] Sellers seeking damages against them. On April 2, 2024, Ms. Hothi, her managing broker, and her brokerage filed a response denying liability and alleging that the [Property 2] Sellers signed the [Property 2] Credit Addendum.

62. BCFSA also interviewed [Notary 1], who confirmed that he acted for [Seller 3] in the purchase of the Surrey Property and for the [Property 2] Sellers regarding [Property 2]. He confirmed that he had not received the [Property 2] Addendum until after the [Property 2] Buyers changed from representation by a lawyer to representation by a notary and that [Seller 2] and [Seller 4] signed documents before that addendum came in. He stated that his office called to have [Seller 2] and [Seller 4] come back in, but [Seller 2] denied having signed the addendum. He confirmed that he received the $188,000 draft made out by the [Property 2] Buyers, and that the [Property 2] Sellers and Ms. Hothi arranged the payment. He said that Ms. Hothi had called him to tell him she had arranged the $188,000 from the [Property 2] Buyers so that [Seller 3] could complete the purchase. He confirmed that the $188,000 was the exact amount needed to complete the purchase of the Surrey Property.

63. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she engaged in a prohibited dual agency and failed to avoid conflicts of interest when she represented both the [Property 2] Sellers and the [Property 2] Buyers in the purchase and sale of [Property 2], contrary to sections 30(i) and 65(1) of the Rules[3];

    b. falsely represented that she did not represent the [Property 2] Buyers in the purchase of [Property 2], contrary to section 33 of the Rules;

    c. failed to act in her clients' best interest when she facilitated the [Property 2] Buyers early possession of [Property 2], contrary to section 30(a) and 34 of the Rules;

[3] [Investigator 1]'s affidavit consistently refers to section 65(1) of the *Real Estate Services Regulation*, BC Reg 506/2004 (the "***Regulation**")* regarding alleged dual agency contraventions. The *Regulation* does not contain a section 65. Section 65(1) of the *Rules* prohibits licensees from providing trading services in a dual agency. This is clearly an error and an intended reference to section 65(1) of the *Rules*.

d. instructed the [Property 2] Buyers to pay $188,000 directly to the Seller's notary to cover a funding shortfall for [Seller 3]'s purchase of the Surrey Property, contrary to sections 30(a) and 33 of the Rules; and

e. made a false or misleading statement to BCFSA during the investigation by claiming she had no knowledge of or involvement in [Property 2] Buyers taking early possession of [Property 2] or the $188,000 paid in relation to the Surrey Property purchase, contrary to section 37(4) of RESA.

64. File number 23-4968, which is combined with 24-5144, was transferred to BCFSA Legal on August 5, 2026 to consider discipline proceedings.

File Number 23-5168 – [Property 3]

65. The investigation under file number 23-5168 was commenced as a result of a complaint filed on February 23, 2024 by [Buyer 4] regarding his purchase of [Property 3], Delta (the **"[Property 3]**").

66. The evidence in that matter indicates that Ms. Hothi was the listing agent for the owners of [Property 3]. [Buyer 4] alleges that he paid a deposit of $50,000 by draft delivered to Ms. Hothi for the principals of a numbered company, [Buyer 5] and [Buyer 6], who said they were licensees, to make an offer to purchase [Property 3] on his behalf. He alleges that this formed some kind of scam.

67. The contract of purchase and sale in Ms. Hothi's brokerage's deal file is dated June 22, 2022 and states it was accepted on June 24, 2022, and is between the numbered company as buyer and Ms. Hothi's clients as sellers. The purchase price in the contract is $2,100,000. The contract allows the buyer to assign the contract but requires them to pay any profit to the seller.

68. Land Title Office records show that [Buyer 4] became registered owner of [Property 3] on September 16, 2022 and subsequently sold it.

69. The draft in Ms. Hothi's brokerage's file (the "**Draft**") for that matter is dated June 20, 2022, is made out in the amount of $50,000, is stamped near the bottom with a July 5, 2022 date, and lists the purchaser as "[Individual 1]", not [Buyer 4]. I note that this same name appears as an assignee, alongside [Buyer 4], on an unsigned purported assignment dated June 17, 2022 of a June 16, 2022 contract of purchase and sale of [Property 3].

70. Ms. Hothi's brokerage's deal file includes a receipt of funds record dated July 1, 2022 prepared by Ms. Hothi in regard to [Property 3]. It notes that the Draft is payment for a purchase deposit. The form, at Part C, requires the licensee completing it to prepare an Identification Information Record at the same time regarding the individual from whom they receive the funds. Ms. Hothi's brokerage's file does not contain an Identification Information Record for the person from whom Ms. Hothi received the Draft. Nor does it contain any identification for that individual, which was confirmed by Ms. Hothi's managing broker.

71. In her statement to BCFSA, Ms. Hothi said that she was instructed to pick up the Draft on July 4, 2022 by [Buyer 5] and when she asked why the name on the draft was different from the buyer, [Buyer 5] told her it was a gift from a family member. Ms. Hothi supplied text messages that support her statement that she collected the funds on July 4, 2022. She stated she received a WhatsApp message with a photo of the Draft on June 20, 2022 and assumed it related to the transaction.

72. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi accepted the Draft without properly identifying the third party who provided the Draft and without properly recording that information in brokerage records

contrary to section 34 of the Rules which constitutes professional misconduct within the meaning of section 35(1)(a) of RESA.

73. File number 23-5168 is still under investigation. Ms. Hothi has not been interviewed.

File Number 24-5215 – [Property 4]

74. The investigation under file number 24-5215 was commenced as a result of a complaint filed on June 7, 2024 by Ms. Hothi's managing broker regarding the purchase of [Property 4], Richmond (the "**[Property 4]**") by a company, [Company 1], of which [Family Member 1], Ms. Hothi's [family member], was the sole director. Ms. Hothi was the listing agent for the subject transaction.

75. The managing broker advised that [Family Member 1] was a licensed assistant of Ms. Hothi and that [Family Member 1] wanted to buy a property listed by Ms. Hothi. He received a Disclosure of Interest in Trade form dated March 8, 2024 disclosing that [Family Member 1] was a director of [Company 1] and Ms. Hothi's [family member] ("**DOIT 1**") and advised Ms. Hothi that what was needed was a Disclosure of Interest in Trade from [Family Member 1] disclosing that she was a licensee. He made repeated requests for the form but only received the requested form when he threatened to report the matter to BCFSA. The Disclosure of Interest in Trade form he received ("**DOIT 2**") was also dated March 8, 2024, did not include the typed information regarding [Family Member 1]'s directorship and relationship with Ms. Hothi that was in DOIT 1, had handwritten in [Family Member 1]'s name where Ms. Hothi's name was typed in DOIT 1 as the person making the disclosure, and was signed by [Family Member 1] where Ms. Hothi had DocuSigned in DOIT 1. I have reviewed DOIT 1 and DOIT 2 and the handwritten signatures and dates under the consumer acknowledgement appear to be exactly the same. On DOIT 1, Ms. Hothi DocuSigned the document and, on DOIT 2, [Family Member 1] signed by hand.

76. BCFSA's investigation revealed that [Property 4] was owned by [Seller 5], who was very ill at the time and was represented, in part, by two individuals holdings a power of attorney over his affairs: [Seller 6] ("**[Seller 6]**") and [Seller 7] ("**[Seller 7]**"). [Seller 5] was a warehouse worker and friend of [Seller 6 & 7]. He worked with [Seller 7] at a warehouse for many years. At some point, [Buyer 5] suffered a stroke, became unable to work, and then moved in with [Seller 6 & 7] and decided to sell [Property 4] because he needed money for his medication and other expenses. He hired Ms. Hothi to list it pursuant to a listing agreement dated January 31, 2024. Under that agreement, where there was a cooperating brokerage, Ms. Hothi's brokerage would receive a commission of 3.745% on the first $100,000 of the sale price and 1.3375% on the balance and, if there were no cooperating brokerage, 7% of the first $100,000 and 2.5% on the balance. On that date, [Buyer 5] signed a Disclosure of Representation in Trade form indicating that Ms. Hothi was acting as his agent.

77. As listing agent for [Buyer 5], Ms. Hothi received two written offers to purchase [Property 4]: one dated February 26, 2024 for $630,000 (the "**First Offer**") with a June 3, 2024 completion and one dated March 3, 2024 for $675,000 with an April 3, 2024 completion (the "**Second Offer**"). Ms. Hothi received the Second Offer from another licensee, [Licensee 3], on behalf of [Buyer 7], and [Buyer 8], [Buyer 9], and [Buyer 10]. The Second Offer included various subjects and a March 13, 2024 subject removal date.

78. After receiving the Second Offer, Ms. Hothi sent a counteroffer to [Licensee 3] signed by [Seller 5] in the amount of $688,000 at 8:36 pm. Had this offer proceeded, [Seller 5] would have paid a commission of $21,700 plus GST, of which Ms. Hothi's brokerage would retain $11,609.50. After taxes but before other closing costs and adjustments, [Seller 5] would have netted $665,215 from a sale at that price. At 9:04 pm, Ms. Hothi emailed [Licensee 3] to revoke the counteroffer, though it appears the counteroffer may have been accepted one minute before being revoked. [Licensee 3] responded to note that their offer price still stood and to advise if [Seller 5] received another offer.

79. On March 4, 2024, [Licensee 3] emailed Ms. Hothi to ask if [Seller 5] was still accepting offers.

80. That day, [Seller 6] emailed Ms. Hothi to advise that they had agreed to proceed with the lower offer of $670,000 because it was subject f[r]ee and a quick completion.

81. On March 4, 2024, [Seller 5] and [Family Member 2], Ms. Hothi's [family member], entered into a contract of purchase and sale in which [Family Member 2] agreed to purchase [Property 4] for $670,000 with no subjects, a completion date of April 1, 2024, and a possession date of April 2, 2024 at 11:59 pm (the "**[Family Member 2] CPS**"). The [Family Member 2] CPS required [Family Member 2] to pay a deposit of $30,000 to Ms. Hothi's brokerage within 24 hours of acceptance. It also permitted [Family Member 2] to assign the contract, by deleting clause 20A, but entitled [Seller 5] to any profit from any such assignment. The [Family Member 2] CPS also include an acknowledgment in clause 21 that Ms. Hothi represented [Seller 5] and [Family Member 2] incorrectly initialed the portion indicating that the seller acknowledged receiving a Disclosure of Risks to Unrepresented Parties form, although she was the buyer. The [Family Member 2] CPS also contained a clause requiring [Seller 5] to pay any special levies levied before completion, including any due after completion. The [Family Member 2] CPS was accompanied by an addendum in which [Seller 5] and [Family Member 2] acknowledged that Ms. Hothi was representing the "buyers", which was [Family Member 2], and which referred to a February 14, 2024 dated contract.

82. On that same day, Ms. Hothi and [Seller 5] signed a Disclosure of Interest in Trade form in which Ms. Hothi disclosed that [Family Member 2] was her [family member] and disclosed that Ms. Hothi expected to received remuneration of $19,000 from the transaction. They also signed an Agreement Regarding Conflicts of Interest Between Clients in which Ms. Hothi, [Family Member 2], and [Seller 5] agree that Ms. Hothi would be releasing [Family Member 2] as a client and keeping [Seller 5] as a client.

83. On March 5, 2024, [Family Member 2] paid a deposit of $30,000 to Ms. Hothi's brokerage pursuant to the [Family Member 2] CPS. Ms. Hothi sent [Seller 6] a text message with an image of the draft on that date.

84. On March 5, 2024, [Company 2] issued an invoice in the amount of $10,922.55 to "[Family Member 1's spouse]" with regard to [Property 4] for laminate flooring materials.

85. On March 6, 2024, an alteration request was submitted for [Property 4] DocuSigned by [Seller 5] requesting approval of painting, carpet removal, laminate floor installation, and changes to appliances. The request indicates that "[Company 2]" was the contractor for the work.

86. On March 8, 2024, [Seller 5], [Seller 6 & 7], on behalf of [Seller 5], and [Family Member 2] signed a General Release and Authorization to Pay Deposit Funds releasing [Family Member 2] from the [Family Member 2] CPS and releasing the $30,000 deposit to [Family Member 2].

87. I note that the materials before me contain a second form of General Release and Authorization to Pay Deposit Funds. This document appears to be the same form as indicated above except that the $30,000 amount has been crossed out, the "No deposit was paid" box is checked, and those changes are hand initialed by [Family Member 2], [Seller 5], and [Seller 6 & 7].

88. Also on March 8, 2024, [Seller 5], [Seller 6 & 7], on behalf of [Seller 5], and Company 1] executed a contract of purchase and sale on essentially the same terms as the [Family Member 2] CPS (the "**[Company 1] CPS**"). The [Company 1] CPS required a $30,000 deposit be paid to Ms. Hothi's brokerage within two business days of acceptance. March 8, 2024 was a Friday, making the deposit due by March 12, 2024. The agency disclosure portion of the [Company 1] CPS indicated that Ms. Hothi represented [Company 1] and that [Seller 5] was unrepresented. The [Company 1] CPS indicates it was prepared by Ms. Hothi.

89. On March 8, 2024, [Seller 5] and Ms. Hothi also executed a termination of the listing agreement. That document bound [Seller 5] to pay the commission set out in the listing agreement if [Property 4] was sold within 60 days from the date of the termination.

90. Purportedly, DOIT 1 and DOIT 2 were also signed on March 8, 2024.

91. The disclosure of representation forms regarding the [Company 1] CPS include the following:

    a. a Disclosure of Representation in Trading Services form indicating that Ms. Hothi was representing [Company 1] as a client dated March 1, 2024;

    b. a Disclosure of Representation in Trading Services form dated March 8, 2024 signed by [Seller 5], [Seller 6 & 7], and Ms. Hothi indicating that Ms. Hothi was not acting as an agent for [Seller 5]; and

    c. an Agreement Regarding Conflict of Interest Between Clients releasing [Seller 5] as a client and continuing Ms. Hothi's agency relationship with [Company 1] dated March 4, 2024 and signed by Ms. Hothi, [Company 1], [Seller 5], and [Seller 6 & 7] on March 8, 2024.

92. On March 11, 2024, Ms. Hothi's brokerage released the $30,000 deposit under the [Family Member 2] CPS to [Family Member 2].

93. On March 13, 2024, [Family Member 1] paid the $30,000 deposit required under the [Company 1] CPS to Ms. Hothi's brokerage using a draft dated March 12, 2024.

94. On March 28, 2024, [Company 1], [Seller 5], and [Seller 6 & 7] executed an addendum extending the completion and possession dates in the [Company 1] CPS to April 3 and 4, 2024 respectively (the "**Extension Addendum**"). They also executed an addendum indicating that Ms. Hothi had a designated agency relationship with the "Seller (s)", what was [Seller 5] (the "**Agency Addendum**"). The signatures of [Seller 6 & 7] and [Seller 5] are exactly the same on each of these addendums.

95. On March 30, 2024, the strata council for [Property 4] noticed that the locks had been changed on the door to [Property 4] to different coloured locks.

96. On April 1, 2024, [Family Member 1] emailed the strata manager for [Property 4] (the "**Manager**") to advise that she was the new owner and her completion was "today" and possession was "tomorrow" and asking to start the renovation work the following day. The Manager replied to say the process could start and the approval documents would be sent shortly. [Family Member 1] replied to state, "We have not done anything to the unit and never change the lock or anything at all" [*sic*].

97. On April 2, 2024, the Manager emailed [Family Member 1] to advise that the locks should be changed to brass coloured locks. [Family Member 1] replied that she would do that after renovations were completed.

98. On April 2, 2024, the [Company 1] CPS closed and [Company 1] became the owner of [Property 4]. It is not clear to me why closing proceeded on April 2 and not April 3. The documents in the file indicate that the notaries acting on the transaction understood April 2, 2024 to be the closing but the contracts and addenda do not explain this. [Seller 5] received a $642,832.34 trust cheque from his notary on closing. His notary held back $25,000. The notary's notes indicate [Seller 5] knew the buyer was Ms. Hothi's [family member] and that he agreed to a $25,000 hold back to address encumbrances.

99. On that date, a strata council member took photos of some furniture that had been removed from [Property 4] and left in the hallway outside the elevator nearby.

100. On April 4, 2024, [Company 1] was to obtain possession of [Property 4] pursuant to the amended [Company 1] CPS.

101. April 5, 2024, the strata manager for [Property 4] issued an approval letter in relation to the approval request submitted on March 6, 2024.

102. On April 6, 2024, [Family Member 1] emailed the Manager for [Property 4] to advise that she had changed the locks to brass coloured locks.

103. On April 8, 2024, [Seller 6] sent Ms. Hothi a text message asking about recovering a small heater from [Property 4] because [Seller 7] could not get in the last time he had went. It is not clear from the message when [Seller 7] tried to get access to [Property 4].

104. On April 10, 2024, [Seller 6] sent a series of text messages to Ms. Hothi regarding [Seller 5] and [Seller 7] going to the bank, about dropping a key at Ms. Hothi's home, and asking for a place to rent for [Seller 7]'s friend.

105. On April 16, 2024, $495.88 was paid from [Company 1]'s notary to [Seller 5]'s notary from a hold back retained in relation to the April, 2024 strata fees.

106. On April 24, 2024, Ms. Hothi became the listing agent for [Property 4] under a listing agreement dated April 24, 2024. That agreement provided that Ms. Hothi's brokerage would receive a commission of 3.745% on the first $100,000 of the sale price an 1.3375% on the balance if there were a cooperating brokerage or 7% of the first $100,000 and 2.5% on the balance if there was no cooperating brokerage.

107. On May 3, 2024, [Seller 6] texted Ms. Hothi at 9:42 am to state she had gone to the notary with a $23,000 cheque made out to the notary. She stated the notary advised her not to pay the cheque to the notary. [Seller 6] asked Ms. Hothi to whom she should pay the $23,000. Ms. Hothi replied "[Company 3]", being the name of a company for which Ms. Hothi's husband was the sole director. This reply does not have its own time stamp in the message exchange, though there is a 9:48 am notation below it, which is not in the same position as the other time notations in the text message chain. I infer from this that Ms. Hothi responded within minutes.

108. There appears to be a gap in the text messages in the record but [Seller 6] sends a text message thanking Ms. Hothi for the company name "[Company 3]". She then asks Ms. Hothi if the notary can make the cheque out to [Seller 6] because the cheque from the notary is made out to [Seller 5] but "I issue the 25,000 cheque under my name at the bank of [Bank 1]" [*sic*].

109. On May 3, 2024, [Seller 6] made out a cheque drawn on an account jointly held by [Seller 6 & 7] at [Bank 1] ("**[Bank 1]**") payable to [Company3] in the amount of $23,000.

110. Also on May 3, 2024, [Seller 5]'s notary issued a trust cheque to [Seller 5] in the amount of $25,495.88. These represented the balance of the funds held back by the notary from the transaction and the strata holdback funds received from [Company 1]'s notary.

111. The records from [Seller 5]'s notary include two conveyancer's instruction reports from Ms. Hothi's brokerage both identifying Ms. Hothi as the buyers' agent in the sale of [Property 4] but list no commission.

112. The records of the notary that handled [Company 1]'s side of the purchase of [Property 4] indicate that it received one draft in the amount of $230,000 from [Company 3] and one draft in the amount of $80,000 from Ms. Hothi's husband, both dated April 2, 2024.

113. On May 28, 2024, DOIT 2 was uploaded to Ms. Hothi's brokerage.

114. On June 22, 2024, [Company 1] and [Buyer 11] and [Buyer 12] entered into a contract of purchase and sale for the purchase of [Property 4] in the amount of $780,000 with a June 27, 2024 subject removal date and a July 26, 2024 closing date.

115. On July 29, 2024, [Buyer 11 & 12's] purchase of [Property 4] from [Company 1] closed. [Family Member 1] personally received a trust cheque in the amount of $754,074.33 after closing.

116. On July 31, 2024, Ms. Hothi's managing broker sent an email to [Licensee 1] indicating that [Family Member 1] had to make a disclosure that she was a licensee.

117. On August 1, 2024, [Licensee 1] sent a text message to [Buyer 11 & 12]'s agent, [Licensee 4], to ask that he get "the DOIT signed for [Property 4]". [Licensee 4] replied to advise that he had sent it to his clients. [Licensee 4] stated, in an interview, that he did not know [Family Member 1] was a licensee until after the offer was accepted and that his clients refused to sign because they wanted some minor issues with [Property 4] addressed. [Licensee 4] stated that he was asked to have his clients sign the forms approximately two weeks before his interview, which was on February 10, 2025. [Buyer 11] stated, in an interview on March 18, 2025 with BCFSA, that he found out that Ms. Hothi was related to the seller only after moving in and that [Licensee 4] brought the form to sign approximately a month before the interview.

118. On August 21, 2024, [Family Member 1] received $13,482 from Ms. Hothi's brokerage in relation to the sale of [Property 4] to [Buyer 11 & 12].

119. On August 23, 2024, [Family Member 1] paid $310,000 to [Company 4], being the same amount as the funds Ms. Hothi's husband and [Company 3] advanced in relation to the purchase of [Property 4] as indicated below. Those funds were deposited in [Company 4]'s bank account on August 27, 2024. Corporate records for numbered company [Company 4] also show that Ms. Hothi was a joint director with her husband of that company until February 3, 2024 pursuant to a Notice of Change of Directors filed April 29, 2025.

120. On September 21, 2024, Ms. Hothi's brokerage was provided two Disclosure of Interest in Trade forms. Both disclose that [Family Member 1] was Ms. Hothi's [family member] and assistant. The first indicates that the disclosure was made on April 24, 2024 and the acknowledgment by [Buyer 11 & 12] was dated June 21, 2024 ("**DOIT 3**"). The second also indicates that the disclosure was made on April 24, 2024 and the acknowledgment is dated April 24, 2024 ("**DOIT 4**"). DOIT 3 purports to be DocuSigned by Ms. Hothi and [Buyer 11 & 12]. I note that DOIT 3 and DOIT 4 contain the same DocuSign envelope ID. BCFSA advises that the DocuSign Certificate of Completion for DOIT 3 and DOIT 4 indicated that Ms. Hothi signed the form on April 24, 2024.

121. The trade record sheets for the both the sale from [Seller 5] to [Company 1] and from [Company 1] to [Buyer 11 & 12] indicate that Ms. Hothi received no commission from either sale.

122. I note that the same DocuSign signature ID number, "92A1DFFD145A440…", appears for the signatures of [Family Member 2] and [Company 1] in all documents bearing their respective DocuSign signatures.

123. [Seller 6], in her interviews with BCFSA, stated that she did not know who the buyer for [Property 4] was and that Ms. Hothi rushed through the documents without explaining them. She confirmed that they signed everything in person. She stated that [Seller 5] and [Seller 6 & 7] wanted at about $750,000 for [Property 4], or at least $700,000 but Ms. Hothi said that was not possible without renovations, which [Seller 6] said they could not afford. She said that Ms. Hothi warned of a strata levy of $20,000 and $30,000 that was upcoming for [Property 4]. [Seller 6] stated that [Seller 5] did not have the money to spend on [Property 4]. She stated that she understood Ms. Hothi was [Seller 5]'s agent for the sale.

124. [Seller 6] confirmed that [Seller 5] could not afford to accept the Second Offer for [Property 4] because it included subjects and they could not wait, continue to pay the strata fees, or risk the buyer backing out. She stated Ms. Hothi knew this. When presented with the counteroffer to the Second Offer, she did not know where the $688,000 figure came from. She did not recall having a discussion regarding the commission on the counteroffer. She indicated that [Seller 5] had not countered the Second Offer. She stated that Ms. Hothi said it would be too hard to complete the transaction with the subjects.

125. [Seller 6] said that Ms. Hothi did not explain the documents, but just got signatures, and did not provide copies of the documents once they were signed. [Seller 6] stated that Ms. Hothi did not have them print or scan anything for her but brought her papers with her.

126. [Seller 6] denied knowing that Ms. Hothi was dealing on behalf of her [family member] and stated that Ms. Hothi never mentioned that. She stated that the handwritten dates on DOIT 1 and DOIT 2 were Ms. Hothi's handwriting.

127. [Seller 6] stated that [Seller 5] and [Seller 6 & 7] did not obtain independent legal advice regarding the [Property 4] transaction.

128. [Seller 6] said she did not know about the [Family Member 2] CPS. She also stated she was not aware that [Seller 5] might have been entitled to the deposit from the [Family Member 2] CPS when it collapsed.

129. [Seller 6] stated that they gave Ms. Hothi keys to [Property 4] to do showings and they did not get those back.

130. [Seller 6] said that, prior to the possession date for the transfer of [Property 4], they tried to enter the property to get a heater, but that they could not enter because the locks had been changed. She stated that Ms. Hothi had a key to access [Property 4] for showings and stated references to late delivery of keys on April 10, 2024 in her text messages with Ms. Hothi had to do with the storage locker keys.

131. [Seller 6] indicated that the March 6, 2024 request for authorization for renovations was signed with the help of her son at Ms. Hothi's request.

132. [Seller 6] stated she did not know what the commission was for the sale of [Property 4]. She stated that the final amount paid to [Seller 5] was about $646,000.

133. [Seller 6] said that she did not understand what the $23,000 payment she made on May 3, 2024 was for, but she stated Ms. Hothi said it had something to do with the strata and that, if they paid those funds, they would receive $25,000 back. She said that after she received instructions to make the payment to [Company 3], she ripped up the cheque payable to the notary. She said that [Seller 5] and [Seller 7] attended the notary with the cheque and picked up a cheque from the notary. She stated that Ms. Hothi did not explain who [Company 3] or "[redacted]", Ms. Hothi's, was. She said this occurred on the same day she made the payment to the notary.

134. [Seller 5] in his interviews with BCFSA, confirmed he needed to sell [Property 4] because he needed money for his medication and other expenses and that he was unable to work.

135. [Seller 5] stated that Ms. Hothi did not go over everything with him or provide detail but got him to sign the documents. He stated that Ms. Hothi did not provide copies of the documents he signed. He stated that Ms. Hothi did not have them print or scan any documents. He confirmed that they signed everything in person. He said that the having subjects in the offers was a problem for him because he did not want to wait for the sale. He said that he thinks he told Ms. Hothi why he was

selling [Property 4]. He said he did not recall signing any documents on his own but he did not "really recall what happened." He said that he believed Ms. Hothi was his agent.

136. [Seller 5] also said that his notary did not explain the documents to him.

137. [Seller 5] indicated he did not recall making a counteroffer to the Second Offer. He indicated he did not know where the $688,000 counteroffer amount came from or discussing the commission on that offer.

138. [Seller 5] denied knowing that Ms. Hothi was dealing on behalf of her [family member] or that [Family Member 1] was a licensee and that Ms. Hothi never mentioned that. He stated that the handwritten dates on DOIT 1 and DOIT 2 were Ms. Hothi's handwriting.

139. [Seller 5] indicated that he did not recall signing the [Family Member 2] CPS and that he did not meet with Ms. Hothi on his own but confirmed that the signatures on the [Family Member 2] CPS were his. He did indicate that Ms. Hothi mentioned her [family member] buying [Property 4]. He stated that Ms. Hothi did not mention to him that he might be able to keep the deposit from the [Family Member 2] CPS, but if he knew he could keep it he would have.

140. [Seller 5] indicated that he accepted the offer at $670,000 because Ms. Hothi said there were no subjects and no other offers or buyers.

141. [Seller 5] said that, prior to the possession date for [Property 4], they tried to enter the property to get a heater, but that they could not enter because the locks had been changed. He stated they never recovered the heater.

142. [Seller 5] stated he did not know what the commission was for the sale of [Property 4] and that it was not brought up.

143. [Seller 7], in his interviews with BCFSA, stated that he understood Ms. Hothi was [Seller 5]'s realtor and largely confirmed the accounts given by [Seller 6] and [Seller 5].

144. [Seller 7] stated that he retained a key for the storage locker associated with [Property 4] and that Ms. Hothi lost that key after he had given it to her. It appears that he gave it to her after closing.

145. [Seller 7] stated that when he was attempting to collect the heater from [Property 4] and could not gain entrance, he called Ms. Hothi who said renovations were being done on [Property 4]. He also stated that someone was in [Property 4] and would not allow them access. He indicated that he believed this occurred in March or possibly April.

146. Ms. Hothi, in her interviews with and statements to BCFSA, stated that she met with [Seller 5] and [Seller 6 & 7] on January 1, 2024 and was advised of the power of attorney held by [Seller 6 & 7] and the need to sell [Property 4] quickly because of [Seller 5]'s medical issues. She said she was advised of [Seller 5]'s medical issues but did not understand them. She stated at least one of [Seller 6 & 7] was present when she met with [Seller 5], but [Seller 5] appeared capable. She stated that she knew [Seller 5] and [Seller 6 & 7] wanted a quick sale.

147. Ms. Hothi stated that [Seller 6] already had a listing price in mind at the first meeting. She said that she tried to convince [Seller 5] and [Seller 6 & 7] to do renovations after a few offers fell through and that she had gotten a few painting and flooring quotes for them, but [Seller 6] did not want to spend money on [Property 4].

148. Regarding the revocation of the $688,000 counteroffer to the Second Offer, Ms. Hothi stated it was revoked because the offer included a clause warranting that the appliances and other features were in working order but they wanted to have it sold on an as is where is basis.

149. Regarding the [Family Member 2] CPS, Ms. Hothi stated that [Seller 6] was excited about that contract because it was subject free and had a short closing. She stated [Family Member 2] wanted [Property 4] to live in or possibly to rent it out. She stated that she disclosed it was her [family member] making the offer. She stated her managing broker advised her to collapse the transaction because Ms. Hothi was purporting to not represent [Family Member 2] and, as a result, Ms. Hothi understood that [Family Member 2] could not be unrepresented. She also stated that there were various errors with the clauses in the [Family Member 2] CPS regarding advice given to [Family Member 2]. She stated that [Seller 6] agreed and did not want a recission payment because it was Ms. Hothi's [family member] and that Ms. Hothi could continue working on the transaction. She stated that she did not pick up the deposit from [Family Member 2] because she had talked to her managing broker before doing so.

150. Ms. Hothi originally stated in a written statement that the March 4, 2024 offer was on behalf of [Family Member 1].

151. Ms. Hothi stated that she terminated the agency relationship with [Seller 5] on March 8, 2024 "to eliminate any potential conflict of interest before any discussions regarding an offer". She said she offered to terminate the listing and represent [Family Member 1] or terminate the listing and allow [Family Member 1] to find another agent. Ms. Hothi stated that [Seller 5] and [Seller 6 & 7] were advised to obtain independent legal advice and did so before accepting the offer. She stated she fully advised [Seller 6 & 7] and [Seller 5] regarding the termination of representation. Ms. Hothi stated that [Seller 6] asked if Ms. Hothi's family members were "still interested" and emphasized the need for a quick sale without completing renovations. She stated that [Family Member 1] became involved because she wanted to buy [Property 4] for her son's family because he had learned on March 3, 2024 that he was expecting a baby and [Family Member 1] wanted him to move closer to her. She stated that [Family Member 1] ended up selling [Property 4] for personal reasons.

152. In her interview, she stated that [Family Member 1] became involved in the transaction because she provided a quote for the flooring and that she did not provide [Family Member 1] any advice on her offer or know what [Family Member 1]'s budget was because [Family Member 1] was a licensee. She stated that she did not know how [Family Member 1] would fund the purchase. She stated that she had to cancel the listing and [Seller 5] could choose if Ms. Hothi represented [Family Member 1] or if [Family Member 1] would get new representation. She stated that [Seller 6] authorized the disclosure of the [Family Member 2] CPS price to [Family Member 1] and that [Seller 6] wanted to "get it done" with no conditions.

153. Regarding the March 6, 2024 request for authorization to renovate [Property 4], Ms. Hothi stated that this was submitted around the time [Seller 5] and [Seller 6 & 7] were seeking quotes on the flooring and painting and that it was submitted to keep the ball rolling on that front.

154. Regarding possession of [Property 4] before completion, Ms. Hothi stated that [Family Member 1] accessed the property take measurements. She stated that [Family Member 1] did not take possession until April 10, 2024, when she received keys. She referenced a text from [Seller 6] regarding dropping off keys and stated that the delay was because [Seller 6 & 7] wanted the proceeds paid in their name but the notary refused. She also stated that [Family Member 1] was not concerned about the lack of immediate access because the renovations had not been approved yet. She stated that the door lock to [Property 4] had not been changed before [Family Member 1] took possession and that she had returned the keys to the property after the contract was in place.

155. Regarding the sale to [Buyer 11 & 12], Ms. Hothi stated [Buyer 11 & 12] were provided the Disclosure of Interest in Trade forms disclosing Ms. Hothi's relationship with [Family Member 1] and [Family Member 1] provided a separate Disclosure of Interest in Trade form with regard to her relationship with [Company 1].

156. Ms. Hothi stated that she and her husband separated in February 2024 and she was “not aware with any degree of certainty as to the purpose for which” the $23,000 payment was made to [Company 3]. She stated that [Company 3] provided construction services and speculated that the payment was related to those services because she referred [Seller 6 & 7] to [Company 3] regarding renovations. She stated she was made aware of the payment by text message on May 3, 2024. She provided no explanation for why or how she supplied the company name to [Seller 6].

157. Regarding DOIT 1 and DOIT 2, Ms. Hothi stated that she discovered on March 8, 2024 that DOIT 2 was missing [Family Member 1]’s signature, or that she had lost the part of the form with [Family Member 1]’s signature, and she told [Seller 5] she would return with a signed copy. She stated that she asked [Seller 6] to “make two copies of the blank DOIT form” for disclosure of her relationship and [Family Member 1]’s status as a licensee. She stated that [Seller 6] made copies with [Seller 6 & 7]’ and [Seller 5]’s signatures on them and by the time it was noticed [Seller 7] had already left for work and [Seller 5] was sleeping.

158. Regarding her husband’s and [Company 3]’s contribution toward the purchase funds for [Property 4], she stated that she was unaware of the $310,000 in payments because her husband had not told her.

159. I have reviewed the strata council meeting minutes in the evidence before me which are council meeting minutes dated January 9, 2024 and February 27, 2024. Neither document include reference to a pending or likely special levy.

160. BCFSA obtained social media posts from Ms. Hothi’s social media pages including photographs of Ms. Hothi with her husband

    a. at what appears to be a spa on February 14, 2024;
    b. at an award ceremony on both March 30 and 31, 2024;
    c. at a rooftop bistro in Honolulu, Hawaii on April 4, 2024;
    d. at a social gathering on April 14, 2024;
    e. at a Vancouver Canucks game on May 2, 2024;
    f. at an event on May 11, 2024;
    g. at a meal at a restaurant on May 14, 2024;
    h. on a boat in Lake Cuomo, Italy on September 9, 2024;
    i. at a wedding in London, United Kingdom on September 26, 2024;
    j. at an event on November 6, 2024;
    k. in Switzerland on November 7, 2024;
    l. in the Maldives on January 6, 2025;
    m. in Abu Dhabi on January 21, 2025;
    n. in Dubai, United Arab Emirates on February 28, 2025; and
    o. in Bangkok, Thailand on March 12, 2025.

161. There is also a Father’s Day post on June 16, 2025. In many of the photos Ms. Hothi and her husband are side by side with their arms around each other, either alone or with other individuals. In one photograph posted March 30, 2024, they are kissing each other.

162. BCFSA conducted a search of the ICBC motor vehicle database on March 6, 2025 indicating that Ms. Hothi and her husband had maintained the same residential address in ICBC's records from February 1, 2022 on.

163. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she engaged in a prohibited dual agency and failed to avoid conflicts of interest when she represented [Seller 5], her [family member 2], and her [family member 1] in the purchase and sale of [Property 4], contrary to sections 30(i) and 65(1) of the Rules;

    b. she rescinded an offer to [Lisencee 3]'s clients in favour of an offer from her family members, contrary to section 30(a), 30(b), 30(g), and 34 of the Rules;

    c. failed to advise her seller client that he could contest the payment of the deposit back to her [family member] when that contract collapsed, contrary to sections 30(a) and 34 of the *Rules*;

    d. used information known to her to prepare the offer for [Company 1] in which [Family Member 1] is a director, which was identical to the offer made by Ms. Hothi's [family member 2], contrary to sections 30(e) of the Rules*;*

    e. facilitated the early possession of [Property 4] by [Company 1], contrary to sections 30(a) and 34 of the Rules;

    f. failed to ensure timely disclosures of her relationship to [Family Member 1] and [Family Member 1]'s status as a licensee to [Buyer 11 & 12], contrary to section 53(4) and 34 of the Rules;

    g. acted contrary to section 33 of the Rules when she:

        i. falsified signatures and submitted documents to her brokerage with signatures that were not genuine;

        ii. misled her seller client by warning him of a non-existent upcoming strata levy to encourage a quick sale;

        iii. directed payment of $23,000 from [Seller 6 & 7] to [Company 3], of which Ms. Hothi's husband is a director;

        iv. made false and misleading statements in response to BCFSA's investigation contrary to section 37(4) of RESA; and

    h. placed the interest of her family ahead of those of her seller client, who was in poor medical health and faced financial issues, by favouring offers submitted by her family, in which regard [Investigator 1] notes that [Property 4] was sold for $100,000 more after renovations shortly after [Company 1] purchased it.

164. File number 24-5215 was transferred to BCFSA Legal on August 3, 2026 to consider discipline proceedings.

File Number 24-5250 – [Property 5]

165. The investigation under file number 24-5250 was commenced as a result of a complaint filed on July 11, 2024 by [Individual 1] regarding the purchase and sale of [Property 5], Vancouver ("**Property 5]**"). [Individual 2]'s [family member], [Tenant 1], was a tenant at [Property 5]. [Individual 2] alleged that Ms. Hothi was the agent for the sellers of [Property 5] and the buyers of [Property 5] in relation to their sale of [Property 6], Vancouver ("**[Property 6]**").

166. [Individual 2] stated to BCFSA that he had a telephone call with Ms. Hothi on June 30, 2024 in which Ms. Hothi suggested his [family member] move out before the possession date for the sale of [Property 5] in exchange for two months rent and if she did not agree by 9:00 pm Ms. Hothi would serve a two-month notice to end tenancy for renovations. [Individual 2] said that, when he replied that such a notice was four months, Ms. Hothi then said she would serve a two-month notice for owner occupation.

167. [Individual 2] stated that, in a July 9, 2024 call, Ms. Hothi claimed that she worked for the Supreme Court and that he believed she was saying that to intimidate him. The transcript of that recorded phone indicates that Ms. Hothi had offered [Tenant 1] $1,000 to end the tenancy early and that [Tenant 1] had been served with a two-month notice to end her tenancy on the basis of owner occupation. Ms. Hothi and [Individual 1] discussed the situation and the prospective buyer's motivations, the termination notice, and the prospect of [Tenant 1] going to the Residential Tenancy Branch (the "**RTB**"). Ms. Hothi then told [Individual 2] that he was welcome to go to the RTB and said that she "knows the rules" and proceeds to say, "we work for the Supreme Court" and further stated, "What you'd like do, please be my guest to take it further, whatever you'd like. But no matter what happens your mom has to move anyways." After a short exchange, Ms. Hothi stated, "And again, as I mentioned, I work for the Supreme Court."

168. BCFSA obtained the deal files for the [Property 6] transaction and the [Property 5] transaction. The documents indicate that the owners of [Property 6] were selling to the owners of [Property 5] and the owners of [Property 5] were selling to the owners of [Property 6]; the transaction was, in effect a swap. I note it was not a direct swap because [Property 6] was to be purchased for $3,250,000 but [Property 5] was to be purchased for $2,075,000. Both contracts of purchase and sale are dated June 29, 2024, provide for a closing date of July 30, 2024, and include a subject that the contract is subject to the complementary contract becoming subject free by June 30, 2024. The deal files contain disclosures of representation, agreements regarding conflicts of interest, and disclosures of risks regarding unrepresented parties for each transaction that indicate that Ms. Hothi was only acting for the sellers in each transaction. The disclosures bear dates between April and July 2024.

169. The deal file for [Property 5] also included a notice, dated June 29, 2024, to the sellers of [Property 5] that the buyers intend to move into [Property 5] and the sellers are to give the tenant notice to vacate by September 1, 2024.

170. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she engaged in dual agency and failed to avoid conflicts of interest when acting for the sellers and buyers of [Property 5] and [Property 6], contrary to sections 30(i) and 65(1) of the Rules;

    b. provided unlicensed rental property management services by dealing directly with [Individual 2] regarding [Tenant 1]'s eviction contrary to section 3(1) of RESA; and

    c. made false or misleading statements to [Individual 2] to discourage him from filing a complaint with the RTB by stating that she worked for the Supreme Court.

171. File number 24-5250 is still under investigation. Ms. Hothi has not provided a statement or been interviewed in relation to that investigation.

File Number 24-5624 – [Property 7]

172. The investigation under file number 24-5624 was commenced as a result of an anonymous complaint filed on February 21, 2025 alleging that Ms. Hothi inflated the sale price of a property at [Property 7], Vancouver ("**[Property 7]**") by $200,000 through a cash back agreement in order to facilitate mortgage fraud by decreasing the loan to value ratio of the financing for the transaction.

173. The evidence includes a copy of a portion of the Practice Standard Manual published by the Real Estate Council of British Columbia in August 2019 which states, in part:

> "Fraud includes contracts that state that some amount of money is to be paid directly to the seller to finish a basement when the basement is already finished and the seller never receives these funds; gift letters from family members where no gift funds are ever paid over, or a separate addendum to the contract crediting back funds to the buyer. The implications of a licensee participating in these types of deceptions are serious.
>
> Do not confuse acting in the best interest of clients with facilitating fraudulent mortgage applications.
>
> Listing agents must ensure that the Contract of Purchase and Sale spells out the proposed equity and financing being sought, in order to protect the interests of the seller. This may involve rewriting the financing section of the contract. All applicable financial information must be contained within the same contract. "Altered" Contracts of Purchase and Sale, which seek to mislead a lender and a seller, are fraudulent and can be deemed criminal."

174. The evidence also includes guidance from BCFSA published November 24, 2025 cautioning licensees regarding the use of cash back clauses in which buyers pay an inflated price for a home and, often in a separate document, arrange for the sellers to pay the buyer back a portion of the sale price in cash after completion. This guidance warns that such arrangements could be used to impact loan-to-value ratios and lending decisions.

175. Ms. Hothi was the designated listing agent for [Property 7] pursuant to a July 5, 2023 dated listing agreement. In July 2023, the sellers of that property received a $1,860,000 written offer and made a $1,910,000 counteroffer that did not result in a contact. Had either of those offers been accepted, the licensees involved would have earned $51,000 and $52,250 prior to tax, respectively, in commission with Ms. Hothi earning $30,400 and $31,150 prior to tax, respectively, according to Ms. Hothi's disclosure of remuneration form. A third offer was made in the amount of $2,150,000, but this appears to have been a verbal offer with a long proposed closing.

176. On July 29, 2023, Ms. Hothi and two prospective buyers of [Property 7] (the "**[Property 7] Buyers**") signed a Disclosure of Representation in Trading Services form indicating that Ms. Hothi was not representing the [Property 7] Buyers as an agent and a Disclosure of Risks to Unrepresented Parties form.

177. On August 1, 2023, Ms. Hothi, the sellers of [Property 7] and the [Property 7] Buyers signed an Agreement Regarding Conflict of Interest Between Clients in which Ms. Hothi released the [Property 7] Buyers and all parties agreed she would continue to represent the sellers.

178. On that same day, the [Property 7] Buyers also signed another document in which they confirmed that Ms. Hothi was acting solely as the listing agent and was not acting for the [Property 7] Buyers. The document also confirmed that the [Property 7] Buyers had been advised to obtain independent legal advice and included a disclaimer of liability from Ms. Hothi.

179. On August 10, 2023, two documents were executed: first, an August 7, 2023 dated contract of purchase and sale for [Property 7] in which the sellers agreed to sell it to the [Property 7] Buyers for $2,181,000, subject to certain conditions to be removed by August 14, 2023, including financing (the "**[Property 7] CPS**"); and second, an addendum in which the sellers agree to credit the [Property 7] Buyers with "$131,000 for renovation and upgrades" to be reflected in the statement of adjustments for the purchase on closing (the "**Credit Addendum**").

180. The sale of [Property 7] to the [Property 7] Buyers closed on September 28, 2023. The [Property 7] Buyers were credited $131,000 on their statement of adjustments and received mortgage financing of $1,744,800 from [Bank 1]. That mortgage amount represents 80% of the $2,181,000 face value of the [Property 7] CPS.

181. The trade record sheet for the transaction at Ms. Hothi's brokerage indicates the brokerage received a commission of $50,000 plus tax, of which $36,666.67 plus tax was paid to Ms. Hothi before taxes with the balance being paid to two of her real estate team members.

182. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she engaged in dual agency and failed to avoid conflicts of interest when acting for the sellers and buyers of [Property 7], contrary to sections 30(i) and 65(1) of the Rules; and

    b. facilitated mortgage fraud by drafting the [Property 7] Contract and an addendum providing for a return of a portion of the sale price by way of a renovation credit and thereby increasing the money the buyers were able to borrow against [Property 7] and decreasing the loan-to-value ratio for the financing on [Property 7].

183. File number 24-5624 is still under investigation. Ms. Hothi has not been interviewed or provided a statement in regard to that investigation.

File Number 26-6645 – [Property 8]

184. The investigation under file number 26-5624 was commenced as a result of a complaint filed on April 10, 2026 by [Buyer 13] regarding Ms. Hothi's conduct in relation to an assignment of unit 1003 in the [Property 8] real estate development ("**[Property 8]**") from [Licensee 1], who was a licensee on Ms. Hothi's team at the time, and [Seller 8] to [Buyer 13] in July 2025.

185. BCFSA obtained the file materials from the marketing brokerage for [Property 8]. Those materials indicated that, on November 21, 2021, [Licensee 1] and [Seller 8] entered into a pre-sale contract to buy [Property 8] from the developer for $313,900 and to pay, in stages, deposits totalling $62,780 (the "**[Property 8] Contract**"). Ms. Hothi was [Licensee 1 & Seller 8] designated agent for the transaction. The file materials for the marketing brokerage for [Property 8] indicated that Ms. Hothi remained as the designated agent for the buyer in the transaction.

186. It is not clear exactly when the closing date on the [Property 8] Contract was set, but it was set at October 15, 2025 at some point.

187. On July 14, 2025, [Licensee 1 & Seller 8], [Buyer 13], and the developer signed an addendum assigning the [Property 8] Contract to [Buyer 13] (the "**[Property 8] Assignment**"). The [Property 8] Assignment did not release [Licensee 1 & Seller 8] from their obligations under the [Property 8] Contract but transferred the $62,780 in deposit funds to be held in trust on behalf of [Buyer 13]. There was no assignment fee payable to [Licensee 1 & Seller 8] but [Buyer 13] was to pay $1,700, plus GST, to the developers and was liable for any fees payable in relation to the Condo and Strata Assignment Integrity Register.

188. [Buyer 13] stated in his interview with BCFSA that he worked in the restaurant industry and had run into financial trouble as a result of multiple factors: his restaurant was losing money, his wife had left him, and he had co-signed a loan for a friend secured against his property and the friend ran off with the money, leaving him liable. He said that he was friends with Ms. Hothi and had known her for approximately five years. He said Ms. Hothi approached him because she knew his home was under foreclosure and that he should purchase a new home before his credit rating was impacted by the foreclosure.

189. I have not been provided the court orders in the foreclosure proceeding, but [Investigator 1] avers that the Orders for Conduct for Sale of [Buyer 13]'s properties, which he co-owns with his wife, are dated December 18, 2024. [Investigator 1] also avers that Ms. Hothi is the designated agent in multiple listing contracts dated October 14, 2025 and January 5, 2026 for those properties. It is not clear to me whether Ms. Hothi was the listing agent for [Buyer 13]'s properties before those dates, but some of the text messages between Ms. Hothi and [Buyer 13] in the evidence suggest she was listing and showing [Buyer 13]'s properties as early as the summer of 2025.

190. During [Buyer 13]'s interview, he and BCFSA went through some of the text messages he had with Ms. Hothi. [Buyer 13]'s statements during that interview and the text messages in evidence indicate that [Buyer 13] shared information with Ms. Hothi regarding his financial situation, his relationship with his wife, and the foreclosure on his properties, including payment information and the mortgagee's information.

191. [Buyer 13] said that she suggested he buy [Property 8] for him and his son to live in. He said that she told him it was a one-bedroom apartment. He agreed and then paid $20,000 to [Licensee 1] and $20,000 to [Seller 8] and [Licensee 1] picked up the drafts. It appears that this occurred before the [Property 8] Assignment was signed. Text messages he provided to BCFSA show Ms. Hothi advising [Buyer 13], on June 18, 2025 to make a draft of $62,780 payable to "[Seller 8] & [Licensee 1]" and another of $5,000 to her brokerage and then, on July 9, 2025, Ms. Hothi and [Buyer 13] discussing the payment of $40,000 by way of two drafts, one payable to each of [Licensee 1 & Seller 8], which could be could picked up on July 10, 2025.

192. [Buyer 13] also stated that he had not met [Licensee 1 & Seller 8] and Ms. Hothi did not tell him who they were.

193. [Buyer 13] said he had not seen [Property 8] at this point. He said that he trusted Ms. Hothi as a friend and realtor and that she was attempting to find him a new place to live with his son. He said that Ms. Hothi told him it was a one-bedroom apartment that he could get for a good price. This is supported by the text messages between [Buyer 13] and Ms. Hothi, which indicate that [Buyer 13] attended at [Property 8] on August 21, 2025 to view it and realized it was a studio apartment and not a one-bedroom. He said that, when he confronted Ms. Hothi about this, she said she had also not seen [Property 8], but that he should buy it and rent it out.

194. In the fall of 2025, [Buyer 13] and Ms. Hothi exchanged text messages in which [Buyer 13] asked Ms. Hothi to find a buyer and provides some details regarding prospective buyers and tells Ms. Hothi that he cannot get financing to complete the sale. [Buyer 13] said Ms. Hothi said she could sell [Property 8] to someone else.

195. During this time, [Buyer 13] viewed [Property 8] with a prospective buyer named "Carolina" who is mentioned in the text message exchanges between [Buyer 13] and Ms. Hothi. Carolina's evidence, as averred by [Investigator 1], is that Ms. Hothi wanted Carolina to sign an assignment before she received mortgage approval, that Ms. Hothi recommended [Broker 1] as a mortgage broker, and that Carolina decided not to proceed because she was unsure she could get a mortgage and because Ms. Hothi was "really pushy" for Carolina to proceed with the deal.

196. On October 14 and 15, 2025, Ms. Hothi sent [Buyer 13] two messages mentioning "[Broker 1]", who [Investigator 1] avers is [Broker 1], to whom [Buyer 13] said Ms. Hothi referred him. She first

asks if [Buyer 13] called [Broker 1] and then noted that he had not called [Broker 1]. [Buyer 13] said he had, in fact, spoken to [Broker 1], who told him he could not get a mortgage. It is not clear when this happened.

197. I note that the text messages between [Buyer 13] and Ms. Hothi indicate she first sent [Broker 1]'s contact information on February 3, 2025. The surrounding messages appear to indicate this related to a different property. She also sent it to [Buyer 13] on February 21, 2025. She did not resend that information between February and October 2025.

198. At some point during the lead up to the closing of the [Property 8] Contract, and likely in September or October, 2025 given the timeline, a notary, [Notary 2], contacted [Buyer 13] to represent him regarding the closing of the [Property 8] Contract. [Buyer 13] said [Notary 2] told him that Ms. Hothi's office had sent her the paperwork. I note that [Notary 2]'s statement to BCFSA indicates she only spoke with Ms. Hothi to confirm that she had not heard from [Buyer 13] and could not proceed with the transaction.

199. On October 15, 2025, Ms. Hothi forwarded [Buyer 13] a screen shot of an email from the developer of [Property 8] regarding a possible extension. Ms. Hothi also noted in a separate message that the developer was charging $300 a day for late completion of the purchase. Further, she sent a message stating, "I'm trying to get you 7 day extension without any penalties" [*sic*].

200. On October 21, 2025, Ms. Hothi then sent a text message to [Buyer 13] asking him to sign the extension documents.

201. On October 23, 2025, [Buyer 13] sent Ms. Hothi a text message asking her to sell "the bachelor suite", which I infer is a reference to [Property 8], and Ms. Hothi responded, "I had 2 people lined up". The next day, she sent a text message again asking [Buyer 13] to sign the extension.

202. On April 3, 2026, [Buyer 13] sent Ms. Hothi a text message asking Ms. Hothi to help get his $40,000 back from [Licensee 1 & Seller 8] saying she promised to get him a mortgage. Ms. Hothi responded to state that she was only acting as a realtor and did not deal with the mortgage or financing and that [Buyer 13]'s mortgage representative told her he did not provide the required documents. She stated that she obtained two extensions on his behalf but he was not responsive, that the developer considered it a breach of contract, and that [Buyer 13] should obtain independent legal advice.

203. On April 4, 2026, Ms. Hothi advised [Buyer 13] that there was a showing that day.

204. It appears there was at least one extension of the [Property 8] Contract. [Buyer 13] said that he did not sign the extension documents. There is one extension addendum in the materials before me dated October 21, 2025, which is not signed by [Buyer 13], which supports his assertion that he did not sign any extensions. He said that Ms. Hothi and [Licensee 1 & Seller 8] arranged the extensions.

205. On April 27, 2026, after [Buyer 13] failed to complete on the purchase, the developer cancelled the contract and forfeited the deposit funds it held.

206. On May 4, 2026, at 9:59 am, BCFSA contacted Ms. Hothi's managing broker to request the brokerage's records regarding the both the [Property 8] Contract and the [Property 8] Assignment. Ms. Hothi's managing broker responded on May 6, 2026 to advise that the [Property 8] Assignment was "handled privately" and that the brokerage had no records regarding the assignment to [Buyer 13].

207. On May 4, 2026, commencing at 1:50 pm, Ms. Hothi sent [Buyer 13] several text messages regarding showing his condo.

208. On May 5, 2026, Ms. Hothi asked if [Buyer 13] wanted to meet with “Mona” or separately regarding an offer on his “unit”. Mona is [Buyer 13]’s wife. Later that day, she invited [Buyer 13] to bring his son over to her house. [Buyer 13] said he had not been invited over to her home before. I note, however, that there are text messages from November 22, 2025 in which [Buyer 13] asks why his son was not invited to a party and Ms. Hothi response that it was only school kids and that they will set up a playdate.

209. That evening, [Buyer 13] sent a text message to Ms. Hothi advising he was home and could call Ms. Hothi. Approximately two hours later, Ms. Hothi sent a text message stating that she was downstairs and would not be available until 3:00 pm the next day. [Buyer 13] said Ms. Hothi had come to his home and he did not go downstairs to meet Ms. Hothi.

210. On May 6, 2026, Ms. Hothi texted [Buyer 13] to state “Pls call me” at 11:03 am and then at 4:57 pm stated “2 min”.

211. On May 8, 2026, [Buyer 13] texted to state that he was off that day and the next and Ms. Hothi replied to state that she was in Alberta until Monday.

212. [Buyer 13] said that Ms. Hothi tried to call him several times between May 4, 2026 and May 8, 2026. He stated that, when he spoke to her, she said she needed him to sign some disclosure documents.

213. [Buyer 13] also said that he had WhatsApp messages with Ms. Hothi but he believed she had changed the setting to make the messages disappear and that she had done so recently. His interview was on May 8, 2026.

214. [Investigator 1] alleges that the evidence obtained in this investigation establishes reasonable grounds to believe that Ms. Hothi engaged in the following misconduct, which he alleges constitutes professional misconduct within the meaning of sections 35(1)(a), 35(1)(c), 35(1)(d), 35(1)(g), or any of those sections and conduct unbecoming within the meaning of section 35(2) of RESA:

    a. she provided real estate services outside of her brokerage in relation to the assignment of [Property 8] from [Licensee 1 & Seller 8] to [Buyer 13], contrary to section 7(3) of RESA;

    b. she engaged in dual agency and entered into a conflict of interest by providing trading services to and representing [Licensee 1 & Seller 8] and [Buyer 13] in relation to the assignment of [Property 8], contrary to sections 30(i) and 65(1) of the Rules;

    c. contrary to section 30 of the Rules, she:

        i. failed to explain and document her relationship as a licensee with [Buyer 13];

        ii. failed to disclose that [Licensee 1] was a licensee and team member of Rimpy Hothi Group;

        iii. instructing [Buyer 13] to write a bank draft of $40,000 directly to [Licensee 1 & Seller 8] without a contract setting out the terms and conditions for that payment and prior to obtaining financing or viewing [Property 8];

        iv. misrepresenting to [Buyer 13] that [Property 8] was a one-bedroom property and not a studio;

        v. advising [Buyer 13] regarding his financing, which was outside the scope of her expertise, and

vi. encouraging [Buyer 13] to buy [Property 8] even though she knew he was facing financial difficulties, and thereby providing advise outside of her expertise; and

d. deleting WhatsApp messages between herself and [Buyer 13] after she became aware of BCFSA's investigation of the transaction involving [Buyer 13] and [Property 8], contrary to section 37(4) of RESA.[4]

215. File number 26-6645 is still under investigation. Ms. Hothi has not been interviewed or given a statement in regard to that investigation.

Other Matters Raised by [Investigator 1]

216. [Investigator 1] avers that he has obtained Ms. Hothi's deal roster from her brokerage for the period from April 2021 to April 2026. He avers that the roster shows that she acted as an agent in respect of 98 transactions that completed from April 1, 2025 to March 31, 2026.

217. [Investigator 1] notes the following transactions:

a. a purchase by Ms. Hothi's [family member], [Family Member 2], in which Ms. Hothi acted as the listing agent and the purchaser is unrepresented, which completed on October 18, 2022;

b. a purchase by a numbered company co-owned by Ms. Hothi and her husband in which Ms. Hothi is recorded as the listing agent and the purchaser is unrepresented, which completed on August 13, 2024;

c. a purchase by a numbered company whose director is [Seller 1], who was represented by Ms. Hothi in regard to the sale of [Property 1] in the transaction at issue in file number 20-896 and "on multiple other occasions", in which Ms. Hothi is recorded as the listing agent and the purchaser is recorded as unrepresented, which completed on May 28, 2026.

218. [Investigator 1] avers that the volume of regulatory matters involving Ms. Hothi cannot be feasibly reviewed "in a timely manner". He opines that the investigations reveal "a pattern of serious misconduct that are not isolated and are an ongoing public risk to consumers." He expresses a concern that Ms. Hothi's conduct, the number of complaints received, the volume of transactions she is involved in, and Ms. Hothi's alleged attempts to conceal or delete evidence may mean that "further misconduct may go undetected or unresolved for a significant period of time."

219. He avers that BCFSA legal counsel has advised that disciplinary proceedings in regard to file numbers 20-896, 23-4968, and 24-5215 will not be concluded, with a decision rendered, within the next six to twelve months, based on BCFSA's disclosure obligations, hearing availability, determinations about how to try the matters, and the complexity of the matters involved.

Reasons and Findings

Applicable Legislation

220. RESA provides, in relevant part, as follows:

Misconduct by licensee

35(1) A licensee commits professional misconduct if the licensee does one or more of the following:

[4] [Investigator 1] references section 37(1) in his affidavit, but that section authorizes the superintendent to conduct an investigation. In my view, [Investigator 1] meant to reference section 37(4).

(a) contravenes this Act, the regulations under this Act or under section 43 [*regulations for residential real property right of rescission*] of the Property Law Act or the rules;

(b) breaches a restriction or condition of the licence;

(c) does anything that constitutes wrongful taking or deceptive dealing;

(d) demonstrates incompetence in performing any activity for which a licence is required;

(e) fails or refuses to cooperate with an investigation under section 37 [*investigations of licensees*];

(f) fails to comply with an order of the superintendent;

(f.1) fails to comply with an undertaking that the licensee gave under section 53.1;

(g) makes or allows to be made any false or misleading statement in a document that is required or authorized to be produced or submitted under this Act.

(2) A licensee commits conduct unbecoming a licensee if the licensee engages in conduct that, in the judgment of the superintendent,

(a) is contrary to the best interests of the public,

(b) undermines public confidence in the real estate industry, or

(c) brings the real estate industry into disrepute.

(3) A brokerage that is a partnership or corporation may be found to have committed professional misconduct or conduct unbecoming a licensee if a partner, officer, director or controlling shareholder of the brokerage does one or more of the things referred to in subsection (1) or (2).

Discipline orders

43(1) After a discipline hearing, the superintendent must

(a) act under this section if the superintendent determines that the licensee has committed professional misconduct or conduct unbecoming a licensee, or

(b) in any other case, dismiss the matter.

(2) If subsection (1) (a) applies, the superintendent must, by order, do one or more of the following:

(a) reprimand the licensee;

(b) suspend the licensee's licence for the period of time the superintendent considers appropriate or until specified conditions are fulfilled;

(c) cancel the licensee's licence;

(d) impose restrictions or conditions on the licensee's licence or vary any restrictions or conditions applicable to the licence;

(e) require the licensee to cease or to carry out any specified activity related to the licensee's real estate business;

(f) require the licensee to enrol in and complete a course of studies or training specified in the order;

(g) prohibit the licensee from applying for a licence for a specified period of time or until specified conditions are fulfilled;

(h) require the licensee to pay amounts in accordance with section 44 (1) and (2) [*recovery of enforcement expenses*];

(i) require the licensee to pay a discipline penalty in an amount of

(i) not more than $500 000, in the case of a brokerage or former brokerage, or

(ii) not more than $250 000, in any other case;

(j) require the licensee to pay an additional penalty up to the amount of the remuneration accepted by the licensee for the real estate services in respect of which the contravention occurred.

…

Orders in urgent circumstances relating to licensees

45(1) The superintendent may act under this section if

(a) the superintendent believes on reasonable grounds that there has been conduct in respect of which the superintendent could make an order under section 43 [*discipline orders*] against a licensee, and

(b) the superintendent considers that

(i) the length of time that would be required to complete an investigation or hold a discipline hearing, or both, in order to make such an order would be detrimental to the public interest, and

(ii) it is in the public interest to make an order under this section against the licensee.

(2) If the circumstances referred to in subsection (1) apply, the superintendent may, by order, do one or more of the following:

(a) suspend the licensee's licence;

(b) impose restrictions or conditions on the licensee's licence or vary any restrictions or conditions applicable to the licence;

(c) require the licensee to cease or to carry out any specified activity related to the licensee's real estate business.

(3) Despite any other provision of this Division, the superintendent may make an order under subsection (2)

(a) whether or not notice of a discipline hearing has been issued under section 40 [*notice of discipline hearing*],

(b) without giving notice to the licensee, and

(c) without providing the licensee an opportunity to be heard.

(4) The superintendent may, by order,

(a) on the superintendent's own initiative, rescind an order under this section, or

(b) on the application of or with the consent of the licensee subject to the order, vary or rescind an order made under this section.

(5) Promptly after an order under subsection (2) is made, the superintendent must give to the licensee

(a) a copy of the order and written reasons for it, and

(b) written notice that a discipline hearing may be held respecting the matter.

(6) Without affecting the authority of the superintendent to initiate a discipline hearing, a licensee who is the subject of an order under subsection (2) may require a discipline hearing to be held by delivering written notice to the superintendent.

(7) Within a reasonable time after receiving a written notice under subsection (6), the superintendent must issue a notice under section 40 [*notice of discipline hearing*], subject to the difference that the time for issuing the notice is at least 14 days before the time set for the discipline hearing, rather than 21 days, unless the licensee agrees to a shorter period.

(8) After a discipline hearing respecting a licensee who is subject to an order under this section, the superintendent must

(a) rescind the order under this section and make an order under section 43 [*discipline orders*], if the superintendent determines that the licensee has committed professional misconduct or conduct unbecoming a licensee, or

(b) in any other case, rescind the order under this section.

221. BCFSA argues that Ms. Hothi has contravened a litany of sections of the Rules. For the sake of brevity, I will not set out those sections herein. I expect they are readily available online to most readers of this decision. I note that unofficial historical versions of the Rules as they existed prior to August 1, 2021 are available on BCFSA's website as of the date of writing.

Analysis

222. Section 45(2) of RESA empowers the superintendent to issue orders to suspend a licensee's licence, impose restrictions or conditions on the licensee's licence, or require the licensee to cease or carry out any specified activity related to the licensee's real estate business if:

a. the superintendent believes on reasonable grounds that there has been conduct in respect of which the superintendent could make an order under section 43 (discipline orders) against a licensee, and

b. the superintendent considers that:

i. the length of time that would be required to complete an investigation or hold a discipline hearing, or both, in order to make such an order would be detrimental to the public interest, and

ii. it is in the public interest to make an order under this section against the licensee.

223. Section 45(3) of RESA provides that the superintendent may make an order under section 45(2) of RESA regardless of whether a notice of discipline hearing has been issued, without giving notice to the licensee, and without providing the licensee an opportunity to be heard.

224. In assessing evidence and considering making an order pursuant to section 45 of RESA, the superintendent does not make final findings of fact. Rather, the consideration is a "provisional" assessment of evidence, so that the superintendent can consider if, among other things, there has been conduct in respect of which the superintendent could make an order under section 43: *Brown (Re),* Reasons for Order in Urgent Circumstances**,** March 28, 2019 (BC REC); *Kuras (Re)*, 2025, BCSRE 196, at para 66 ("***Kuras 1***"); *Kuras (Re)*, 2026 BCSRE 39, at para 21 ("***Kuras 2***").

225. BCFSA has made significant submission regarding the standard of evidence required under section 45(2) and the import of the words "reasonable grounds" in section 45(1)(a). They rely on court decisions in criminal matters, like *R v Debot*, 1989 CanLII 13 (SCC) and *R v Sunner*, 2017 BCSC 2455. BCFSA has also sought to distinguish this standard from the *prima facie* case standard set out as applying to other regulatory regimes, such as in *Scott v College of Massage Therapists of British Columbia*, 2016 BCCA 180 ("***Scott***").

226. I note that prior decisions regarding urgent orders under section 45(2) of RESA have not been particularly clear regarding the applicable standard. Some decisions have found that the standard

can be expressed as a *prima facie* case standard: see *RIF - Rent It Furnished Inc (Re)*, 2024 BCSRE 50, at para 76; *Menethil Properties Ltd (Re)*, 2025 BCSRE 29, at para 37; *Bal (Re)*, 2025 BCSRE 174, at para 21; and *Jovi Realty Inc (Re)*, 2025 BCSRE 188, at para 35. Some decisions have found that the standard is "compelling and credible information that establishes an evidentiary foundation beyond a mere suspicion": *Bakker (Re)*, 2022 BCSRE 11, at para 45. Some decisions have found that, for the purposes of those decisions, the issue of which standard applies did not need to be decided: *Kuras 1*, at para; and *Kuras 2*, at para 25; *Matthew Kuras v Superintendent of Real Estate*, 2026 BCFST 3, at paras 29-30.

227. In my view, there is a need to clarify the analytical approach to be applied under section 45 of RESA and how it compares the tests applied in cases like *Scott*, which considered the application of section 35 of the *Health Professions Act*, RSBC 1996, c 183.

228. I accept, as BCFSA submits, that the legislature intentionally used the words "reasonable grounds" in section 45(1)(a) of RESA and did so to set the standard of proof required to satisfy the test in that section. In my view, that standard is best expressed as it was in *Bakker (Re)*, at para 45 as requiring "compelling and credible information that establishes an evidentiary foundation beyond a mere suspicion". I note that this standard is similar to that used in other regulatory contexts applying the same standard set in legislation: see *Law Society of Ontario v De Bartolo*, 2023 ONLSTH 134, at para 36. That standard comports best with the phrasing used in section 45(1)(a) of RESA and with the case law concerning the "reasonable grounds" standard applied in previous cases that have considered that specific wording.

229. I acknowledge that this standard is likely lower than the *prima facie* case standard adopted in *Scott*, which requires sufficient evidence to prove the alleged misconduct in absence of an answer: at para 80. All that is required under the reasonable grounds standard is that the evidence is sufficiently compelling and credible to raise the matter above a mere suspicion. The result of this, as seen in *Kuras 1* and *Kuras 2*, is that any case that meets the *prima facie* case standard will meet the reasonable grounds standard. There must still be credible evidence in the record based on which the decision maker could find that the elements of a contravention are made out or which forms the foundation of a reasonable inference, beyond a mere suspicion, that those elements are made out.

230. That said, that is not the final issue regarding the standard required to justify an order under section 45 of RESA. Establishing compelling and credible evidence to bring the matter above a mere suspicion is only sufficient to satisfy the requirements of section 45(1)(a) of RESA. It may not be sufficient to establish that the order sought is in the public interest. Given the structure of section 45(1) of RESA, the question of reasonable grounds applies only to the question whether the index allegations of misconduct have been made out, the remaining questions are whether waiting for a hearing will be detrimental to the public interest and whether it is in the public interest to make the orders sought as contemplated by section 45(1)(b) of RESA.

231. This is very similar to the two-question approach set out in *Scott*, where Bauman CJA describes that the *prima facie* case standard applies only to the assessment of the strength of the case for the index allegations and not to the question of whether the interim order is necessary to protect the public: see paras 39-50 and 68-84. In the case of the latter question, the strength of the case must be considered: *Scott*, at paras 46 and 68.

232. Regarding the standard of evidence, Bauman CJ reiterates, citing *Perry v. Nursing and Midwifery Council*, [2013] EWCA Civ 145, at many points that the task of the decision maker on an interim order application is not to finally decide the issue of whether misconduct occurred, but that the question must include an assessment of the evidence to see if the evidence is "manifestly unreliable" and whether the allegations are "manifestly unfounded" or "manifestly exaggerated": paras 56, 63, 75, and 88. In this context, the decision maker is required to consider the licensee's evidence and may discount evidence that is not consistent with the objective or undisputed evidence and must consider the licensee's evidence to the extent it establishes that the

allegations are manifestly unfounded or exaggerated. That assessment should occur primarily in answering the first question in the analysis to determine if there are reasonable grounds to believe conduct has occurred upon which an order under section 43 of RESA could be made, though the decision maker, in deciding whether the order is urgent and in the public interest must consider the strength of the case.

233. I agree with the approach set out by Bauman CJ, modified to account for the reasonable grounds standard set out in section 45(1) of RESA. Bauman CJ's approach comports generally with the structure of section 45(1); with the two subsections of section 45(1) aligning with the two questions identified by Bauman CJ.

234. Although the legislation considered in *Scott* used the wording "protect the public" and RESA uses the wording "public interest", the relevant standards and considerations, viewed wholistically, appear to be relatively similar. I accept BCFSA's submissions that the use of the words "public interest" in section 45(1)(b) of RESA indicate that there need not be a risk of direct harm to members of the public, but that the superintendent should consider the broader public interest. That broader view must include all aspects of the matter including, but not limited to, the strength of the case, the seriousness of the allegations, the risk to the public, the impact of the alleged misconduct on the integrity of the industry, the impact of the order sought on the licensee, and the availability of alternative interim measures that might be in the public interest. It is generally not in the public interest to make an order suspending a licensee, depriving them of their livelihood, on weak evidence or to remove a licensee from the industry pending a hearing where more limited protective measures will sufficiently protect the public and the industry. This comports with the broad and contextual meaning of the words "public interest" and the obligations placed on regulators who are to act in the public interest: *Law Society of British Columbia v Trinity Western University*, 2018 SCC 32, at paras 32-34 and 39-40; *Committee for Equal Treatment of Asbestos Minority Shareholders v Ontario (Securities Commission)*, 2001 SCC 37 at paras 41-45; and *Kanda (Re)*, 2024 BCSRE 40, at para 45.

235. In my view, the above approach is, generally, consistent with the approach I took in *Kuras 2*, where I considered first whether the alleged misconduct had been made out on the relevant standard and then, turning to the two branches set out under sections 45(1)(b)(i) and (ii) of RESA, I stated at para 33:

> "… Under both branches, I must consider the public interest and whether the allegation is sufficiently serious, the evidence sufficiently strong, and the likelihood of repetition is sufficiently high. It is not sufficient that the order be merely desirable: *Martel (Re)*, 2023 BCRMB 6, at para 65."

236. I went on to state, at para 35:

> "… I must be satisfied that the conduct demonstrated in the circumstances before me is sufficient to warrant the significant regulatory actions contemplated by section 45(2) of RESA."

237. I further stated, at para 48:

> "… The assessment of the risk of repetition and risk to the public is commensurate to the seriousness of the order to be issued, that is, in part, the guidance to be drawn from the decision in *Scott*, quoted above. …"[5]

[5] The quote from *Scott* referred to in this quote is at *Kuras 2*, at para 23 and is attributed to para 75 of *Scott*. The quote is in fact pulled from para 74 of *Scott*.

238. The above statements reflect that the standard to be applied when considering the order to be made is whether the order under consideration is in the public interest.

239. I also agree with BCFSA that it is not necessarily the case that the submitted evidence must establish a real risk of harm to the public, as opposed to risk of harm the reputation of the industry, the regulatory regime, or the public interest generally; however, a demonstration of real risk of harm to the public will generally provide compelling reasons for urgent and significant intervention by the superintendent to prevent that harm.

240. It is possible to read Senior Hearing Officer Pendray's comments in *Kuras 1*, at paras 102-104 and 109-113 and my comments in *Kuras 2* at para 52 to require a risk of harm to the public, as opposed to a risk of harm to the efficacy of the regulator, public perception of that efficacy, or the industry to justify a suspension, but those comments must be read together with Senior Hearing Officer Pendray's comments in *Kuras 1*, at para 118 and my comments in *Kuras 2* at para 49, where I stated that the harms to public confidence in that case were not "sufficient to warrant" the suspension sought there. Read in their entirety, those decisions appear to reflect the standard set out above, which is that there must be sufficient risk of harm to the public interest to justify the orders sought under section 45 of RESA.

241. Considering all of the above, I state the test to be applied under section 45(1) of RESA to consist of two stages as follows:

    a. First, are there reasonable grounds to believe, based on evidence that is sufficiently compelling and credible to raise the matter above a mere suspicion, that there is conduct in respect of which the superintendent could make an order under section 43 of RESA?

    b. If so, do the circumstances, considered as a whole, demonstrate that

        i. it would be detrimental to the public interest to wait to complete an investigation or hold a discipline hearing; and

        ii. it is in the public interest to make the order sought.

242. I must be satisfied that the answer to the question asked at the first stage is "yes" before advancing to the second stage. If I advance to the second stage, I must be satisfied that both branches are met. The first branch establishes urgency. The second branch establishes sufficient seriousness to warrant the order sought. Under both branches, I should consider the whole of the circumstances, including the strength of the case, the seriousness of the allegations, and the risk to the public interest: *Kuras 2*, at para 33.

243. I turn to the application of the above noted test.

Are there reasonable grounds supporting a conclusion that Ms. Hothi has committed professional misconduct or conduct unbecoming a licensee as contemplated by section 43(1) of RESA?

File Number 20-896 –[Property 1]

244. I start with file number 20-896, regarding [Property 1]. BCFSA alleges that Ms. Hothi contravened sections 3-4 and 5-13(2) of the Rules, as they read at the relevant time, and section 37(4) of RESA and that she engaged in professional misconduct within the meaning of sections 35(1)(a), (c), (d), and (g) of RESA and conduct unbecoming within the meaning of section 35(2) of RESA.

245. BCFSA alleges Ms. Hothi contravened sections 3-2 and 5-13(2) of the Rules by failing to inquire into the stop work notices and orders issued in relation to [Property 1] and by failing to adequately disclose the unauthorized accommodation on the property. BCFSA relies on two consent orders in that regard: *Ladha (Re)*, 2015 CanLII 89920 (BC REC) and *Ronse (Re)*, 2019 CanLII 86470 (BC REC).

246. In *Ladha (Re)*, the licensees agreed they contravened section 5-13(2) where they noted in the listing for the subject property that there was unauthorized accommodation and verbally disclosed that fact but did not include a written disclosure of material latent defects in the contract of purchase and sale.

247. In *Ronse (Re)*, the licensees agreed they contravened sections 3-4 and 5-13(2) of the Rules, when they knew about existing issues with the subject property and failed to make reasonable inquiries or to disclose those issues, although the buyers were able to discover the issues through their own investigations.

248. In Ms. Hothi's case, the evidence indicates that she knew there was an unauthorized suite in [Property 1] and work done without permits there. The evidence indicates that her client had done various renovations. This is confirmed by the September 23, 2019 listing referencing a new two-bedroom suite and in her client's text messages saying there were no permits. She disclosed the unauthorized suite in the January 2, 2020 listing. Ms. Hothi's evidence indicated that she inquired about permitting only before the January 2, 2020 listing, which is supported by the text messages between her and [Seller 1]. Ms. Hothi stated she attempted to call the municipality but did not receive a response. Ms. Hothi also stated that she disclosed the unauthorized suite in an addendum. I do not have such an addendum before me. It is not clear to me if BCFSA requested a copy of that addendum, or whether the materials in the evidence before me regarding Ms. Hothi's brokerage's deal file are comprehensive. [Buyer 1] said she knew the suite was unauthorized.

249. On the above evidence, I find that there are reasonable grounds to believe that Ms. Hothi failed to make reasonable inquiries regarding the permits for the construction at [Property 1] in September 2019 and in January 2020 and any stop work orders and thereby failed to act with reasonable care and skill contrary to section 3-4 of the Rules.

250. The evidence before me indicates that the case against Ms. Hothi regarding section 5-13(2) of the Rules is weak. Ms. Hothi's uncontradicted evidence is that there were two addendums to the contract that addressed various issues including the unauthorized suite issue. Although these documents are not in the material before me, it is not clear that the documents before me contain everything in either Ms. Hothi's brokerage's deal file or the attachments to Ms. Hothi's statements. Ms. Hothi stated these addendums were dated January 13, 2020 and January 16, 2020. It is not clear to me whether the January 16, 2020 addendum Ms. Hothi references is the subject removal form in the deal file materials before me. In any event, the evidence before me indicates the disclosure that there was unpermitted work was made before or close to [Buyer 1] removing subjects. I reiterate that Ms. Hothi's evidence is uncontradicted in this regard. The evidence indicates she knew about the unauthorized accommodation and disclosed it in an addendum to the [Property 1] CPS. There is no evidence that Ms. Hothi actually knew about the stop work notice or orders. On the uncontradicted evidence before me, I do not find that there are reasonable grounds to believe Ms. Hothi contravened section 5-13(2) as alleged by BCFSA by failing to disclose a material latent defect known to her.

251. BCFSA alleges that Ms. Hothi also contravened section 3-4 of the Rules by failing to provide the [Seller 1] Letter to [Buyer 1], removing the note in the first listing regarding the unauthorized accommodation, advising [Licensee 2] that she had received three offers higher than [Buyer 1]'s initial offer and failing to disclose that the offers were verbal, removing the refence to unauthorized accommodation from the listing on September 26, 2019, and misrepresenting that [Property 1] was vacant when it was tenanted in the second listing.

252. Regarding the [Seller 1] Letter, the evidence before me indicates that the contents of the letter were substantially set out in the [Property 1] CPS, as regards the oil tanks and the illegal substances warranties, and in the addendums, regarding the unauthorized suite. I cannot go further because the addendums are not before me and I cannot determine if there were

warranties regarding the work orders, but it appears those issues were addressed in the contractual documents based on the uncontradicted evidence before me.

253. I do have suspicions that [Buyer 1]'s decision not to pursue a legal claim against [Seller 1] could have been contributed to by the lack of a specific warranty regarding work orders, but without having the addendums, which appear to have existed, I cannot say that suspicion rises to the level of reasonable grounds.

254. I therefore do not find that there are reasonable grounds, on the evidence before me, that Ms. Hothi contravened section 3-4 of the Rules, either by failing to act honestly or by failing to act with reasonable care and skill, by failing to provide the [Seller 1] Letter to [Buyer 1] or [Licensee 2].

255. Regarding her representations to [Licensee 2] regarding the offers, I find that the evidence establishes reasonable grounds to believe that Ms. Hothi told [Licensee 2] there were three offers, in addition to [Buyer 1]'s, and that they were higher than [Buyer 1]'s. This is supported by [Licensee 2]'s statements to BCFSA. I also find that there are reasonable grounds to believe that Ms. Hothi failed to tell [Licensee 2] that the offers were verbal and not in writing and that [Licensee 2] was led to believe by that non-disclosure that the offers were in writing. Although Ms. Hothi stated that she told other interested parties the details of the offers and that the offers were verbal, I am not required to resolve that factual dispute on this application. In my view, it was incumbent on Ms. Hothi to truthfully tell [Licensee 2] all the details of any offers she disclosed to him. This includes the amount and whether the offers were verbal, because verbal offers may be less serious offers. I find it reasonable for [Licensee 2] to have assumed the offers were written if he was not told otherwise. In my view, there are reasonable grounds to believe that Ms. Hothi failed to act with reasonable care and skill and failed to act honestly when she falsely told [Licensee 2] that there were three offers higher than [Buyer 1]'s and when she failed to disclose that the offers were verbal and not in writing, contrary to section 3-4 of the Rules.

256. Regarding the removal of the reference to unauthorized accommodation from the listing for [Property 1] on September 26, 2019, the evidence indicates that Ms. Hothi knew there was a new two-bedroom suite in the property. The listing itself discloses this. There is no other evidence regarding what Ms. Hothi knew in September 2019. The construction of the garage suite appears to have been underway in November 2019, but it is not clear when that started. Ms. Hothi's evidence of her knowledge is that [Property 1] was in bad shape when originally listed, that [Seller 1] decided to do renovations, and that Ms. Hothi asked him about permits when relisting in January 2020. There is no evidence that Ms. Hothi asked [Seller 1] about permitting before then. In my view, given Ms. Hothi knew there was a new two-bedroom suite it was incumbent on her to inquire of [Seller 1] about permits at that time and, as indicated above, there are reasonable grounds to believe that she did not inquire. There are reasonable grounds to believe that she failed to act with reasonable care and skill in that regard when dealing with the first listing, but I cannot go further to say that she knew there was an unauthorized suite and acted dishonestly or without reasonable care and skill in removing the reference to an unauthorized suite.

257. Regarding misrepresenting [Property 1] as vacant in the January 2, 2020 listing when it was in fact tenanted, the evidence indicates the property was tenanted. Ms. Hothi's own statements were that there were at least tenant's possessions there. The text messages between Ms. Hothi and [Licensee 2] indicate that Ms. Hothi knew about the tenant's actual occupation of the property by at least January 12, 2020. The tenant's own statements to BCFSA indicate she was actually living in [Property 1] in December 2019 and January 2020. From this evidence, I conclude there are reasonable grounds to believe that Ms. Hothi at least failed to make sufficient inquiries of her own client prior to listing regarding the occupancy status and thereby permitted the listing to include false information, which would contravene both section 3-4 of the Rules and section 4-7 of the Rules, regarding false and misleading advertising.

258. I find that, given the evidence indicates Ms. Hothi knew or ought to have known a tenant had their possessions in [Property 1], which is supported by her statements in her interview stating that the property was always tenanted, there are reasonable grounds to believe that her advertising [Property 1] as vacant was not honest and was knowingly false, since Ms. Hothi knew a tenant was using the space, contrary to section 3-4 of the Rules.

259. BCFSA also alleges that Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(g) of the Rules by telling BCFSA in a written statement during the investigation that she told interested parties that details of offers received including whether they were verbal and stated that only tenant possessions remained at [Property 1].

260. Providing false or misleading information in written statements provided in response to investigation requests under section 37 of RESA constitute contraventions of section 35(1)(g): *Inglis (Re)*, 2018 CanLII 86666 (BC REC), at paras 120-122; *Jinnah (Re)*, 2024 BCSRE 51, at paras 187-189.

261. Again, I am not called upon here to finally resolve the credibility issue between [Licensee 2]'s account and Ms. Hothi's regarding the offers. In this context, I must be satisfied that the evidence goes beyond a mere suspicion and establishes reasonable grounds, and I may discount Ms. Hothi's evidence so long as it does not establish the allegations are manifestly unfounded. Based on [Licensee 2]'s evidence, I find that there are reasonable grounds to believe Ms. Hothi provided a false written statement to BCFSA regarding her disclosure of those offers and thereby committed professional misconduct within the meaning of section 35(1)(g).

262. Regarding her written statement concerning the tenancy, the statement at issue does not explicitly state that there was no tenant living in [Property 1], but it does suggest it by stating only that there were tenant belongings there without mentioning occupation by the tenant. I find that phrasing, along with the tenant's statement that she was living in [Property 1], is sufficient to establish reasonable grounds to believe Ms. Hothi's written statement that there were tenant's possession in [Property 1], and not mentioning the tenant living there, was misleading and that she thereby committed professional misconduct within the meaning of section 35(1)(g) of RESA.

263. BCFSA also alleges that Ms. Hothi's statements regarding the tenancy during the investigation were also contraventions of section 37(4), or that there are reasonable grounds to believe so. In order to establish a contravention of section 37(4) of RESA, BCFSA has to establish intent, or, in this context, reasonable grounds to believe there was intent: *Fisher (Re)*, 2025 BCSRE 5, at paras 119-128.

264. The evidence of this is in Ms. Hothi's interview, where she stated that a tenant was not living there, only the tenant's things were there, and stated that there were always tenants living there. There is further evidence in her November 4, 2024 statement that a tenant had their belongings in [Property 1]. In addition, there is the tenant's statement that she lived there at the time and there is the January 12, 2020 text message that indicates Ms. Hothi knew there was a tenant in [Property 1].

265. Notably, the question in response to which Ms. Hothi gives this answer is about why the January 2, 2020 listing stated the property was vacant when it was tenanted. In that context, she said that there was no one living there and appears to be downplaying the extent of the tenant's occupancy when the evidence, particularly the tenant's statement, indicates the contrary. This suggests that Ms. Hothi was either unaware of the occupancy and was attempting to conceal that lack of awareness or was in fact aware of the occupancy and was attempting to conceal the tenancy or the extent of it. Again, I do not need to establish with certainty whether Ms. Hothi intended to withhold, destroy, conceal, or refuse to provide information or resolve the factual issues entirely, I need only be satisfied that there are reasonable grounds to believe she did so. In my view, the combination of the evidence discussed above is sufficient to establish reasonable

grounds to believe Ms. Hothi intentionally withheld or concealed information regarding the tenancy and her knowledge of it, contrary to section 37(4) of RESA.

266. Based on the reasonable grounds to believe that Ms. Hothi contravened the Rules and RESA as set out above, there are reasonable grounds to believe Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(a) and acted incompetently within the meaning of section 35(1)(d).

267. Regarding the allegation that Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(c), the above finding that there are reasonable grounds to believe that Ms. Hothi included knowingly false information that [Property 1] was vacant in the January 2, 2020 listing is sufficient to establish reasonable grounds that she intentionally misrepresented that fact and engaged in deceptive dealing within the meaning of section 35(1)(c). Similarly, the conclusion that there are reasonable grounds to believe that she told [Licensee 2] there were three offers higher than [Buyer 1]'s is sufficient to establish reasonable grounds that she intentionally misrepresented that fact and engaged in deceptive dealing within the meaning of section 35(1)(c).

268. Regarding the alleged conduct unbecoming, I am of the view that there are reasonable grounds to believe that Ms. Hothi's conduct rose to the level of knowing misrepresentations in advertising, to another licensee, and to her regulator in regard to file number 20-896, which is conduct that brings the real estate industry into disrepute and undermines confidence in the real estate industry. There are therefore reasonable grounds to believe that Ms. Hothi engaged in conduct unbecoming within the meaning of section 35(2) of RESA in regard to file number 20-896.

File Numbers 23-4968 and 24-5144 – [Property 2]

269. Turning to file numbers 23-4968 and 24-5144, concerning [Property 2], BCFSA alleges that Ms. Hothi contravened sections 30(a), 30(i), 33, 34, and 65(1) of the Rules and section 37(4) of RESA, committed professional misconduct within the meaning of section 35(1)(a), (c), (d), and (g) of RESA, and engaged in conduct unbecoming within the meaning of section 35(2) of RESA.

270. BCFSA alleges that Ms. Hothi engaged in a conflict of interest and a prohibited dual agency in regard to her representation of the [Property 2] Sellers and the [Property 2] Buyers in their transaction, contrary to sections 30(i) and 65(1) of the Rules. The evidence in favour of this allegation is primarily [Buyer 2]'s statements that Ms. Hothi told him to come into the transaction unrepresented, that she could get him a good deal if he agreed not to be represented, and that she agreed to a lower commission price for the sale of the Delta Property as part of the whole relationship with the [Property 2] Buyers. In addition, the allegation is supported by the fact that she prepared the [Property 2] CPS, that she assisted with the negotiation of the [Property 2] Credit Addendum, and that she concurrently represented the [Property 2] Buyers with regard to the sale of the Delta Property. I note that Ms. Hothi's representation of the [Property 2] Buyers commenced five days before subject removal on the [Property 2] CPS and included asking the [Property 2] Sellers to move the closing date up on the [Property 2] CPS after the [Property 2] Buyers had a contract in place to sell the Delta Property. The counter evidence in this regard is that Ms. Hothi and the [Property 2] Buyers executed the forms indicating that Ms. Hothi did not represent the [Property 2] Buyers with regard to the [Property 2] transaction, the [Property 2] Buyers' pleadings in the civil proceedings do not allege an agency relationship, and Ms. Hothi's own statements.

271. In my view, [Buyer 2]'s evidence, along with the fact that Ms. Hothi represented the [Property 2] Buyers with regard to the sale of the Delta Property, is sufficient to establish reasonable grounds to believe that Ms. Hothi represented both the [Property 2] Buyers and the [Property 2] Sellers in regard to the [Property 2] transaction. I am entitled to discount Ms. Hothi's contrary statements in my current assessment and the documentary evidence is not sufficient to establish that Ms. Hothi did not create an implied agency relationship by way of her conduct in regard to [Buyer 2]. With regard to the [Property 2] Buyers' pleadings, they provide some reason to think that the [Property

2] Buyers did not believe an agency relationship existed; however, there may be a myriad of reasons why they chose not to pursue that allegation and the evidence of what actually occurred will be determinative regarding the relationship, not civil pleadings.

272. I do note that this is not a circumstance where Ms. Hothi purported to represent both parties in what amounted to a property swap, like the transaction in file number 24-5250. That said the concurrence of the [Property 2] sale with the Delta Property sale combined with [Buyer 2]'s statements, are sufficient to establish reasonable grounds to believe that Ms. Hothi allowed an implied agency relationship to arise, particularly given there were overlapping issues between the two contracts, such as the need to align possession dates and the likely use of proceeds from the Delta Property sale for the [Property 2] purchase by the [Property 2] Buyers.

273. On assessment of the evidence, I find there are reasonable grounds to believe that Ms. Hothi established at least an implied agency relationship with the [Property 2] Buyers in regard to their purchase of [Property 2] and thereby failed to take reasonable steps to avoid a conflict of interest contrary to section 30(i) of the Rules and engaged in a prohibited dual agency contrary to section 65(1) of the Rules.

274. BCFSA alleges that Ms. Hothi falsely represented that she did not represent the [Property 2] Buyers in the purchase of [Property 2], contrary to section 33 of the *Rules*. In order for Ms. Hothi to have acted dishonestly, she would have had to have been either knowingly dishonest with regard to the agency relationship in the forms or at least willing to disregard the truth or be willfully blind to it. In my view, the evidence for and against this is essentially the same as for the alleged dual agency and is sufficient to establish the allegation. In particular, [Buyer 2]'s evidence that Ms. Hothi led him into the [Property 2] transaction without separate representation and attempted to earn his trust through the transaction, if true, establishes a course of conduct by Ms. Hothi that she ought to have realized was leading to an implied agency. According to [Buyer 2]'s account, those steps were sufficiently intentional that there are reasonable grounds, beyond a mere suspicion, to believe that Ms. Hothi was at least reckless with regard to the truth of her relationship with the [Property 2] Buyers. I find there are reasonable grounds to believe that Ms. Hothi failed to act honestly when she represented in the disclosure forms with regard to the [Property 2] transaction that she was not an agent for the [Property 2] Buyers, contrary to section 33 of the Rules.

275. BCFSA has also submitted, after some discussion, that Ms. Hothi failed to act honestly when she continued to list [Property 2] knowing that the signature on the listing agreement for [Seller 3] was not authentic. Ms. Hothi said she obtained authorization in this regard, but that authorization does not appear before me and, in any case, I am not aware of an after the fact authorization being sufficient to regularize a false signature in a document, though there may be grounds to estop a party from resiling from a contract bearing a false signature in some circumstances. In my view, Ms. Hothi not having a new listing agreement signed allowed the original signature to remain on file purporting to be authentic, when it was not. This was not honest. I find that there are reasonable grounds to believe that Ms. Hothi failed to act honestly when she continued to list [Property 2] pursuant to a listing agreement that she knew contained a false signature for [Seller 3], contrary to section 33 of the Rules.

276. BCFSA alleges that Ms. Hothi failed to represent her client's best interests when she facilitated the [Property 2] Buyers' early possession of [Property 2], contrary to sections 30(a) and 34 of the Rules. The evidence supporting this allegation comes from [Buyer 2]'s account of what occurred at [Property 2] on September 28, 2023. Ms. Hothi's evidence contradicts this. Again, I am not asked to finally resolve this conflict in the evidence. Ms. Hothi's evidence is not sufficient to demonstrate that [Buyer 2]'s account is manifestly unfounded or exaggerated. [Buyer 2]'s account, considered on its own, is self-consistent and could be believed. Though it is curious why [Buyer 2] would agree to move into [Property 2] without anything to document his right to do so, he also paid $75,000 directly to the [Property 2] Sellers on Ms. Hothi's request and paid $188,000 to [Seller 3]'s notary without any documentation; therefore, it is not unreasonable that he would

also move into [Property 2] a day early without any documentation. I find that that evidence is sufficient to establish reasonable grounds to believe that Ms. Hothi facilitated the [Property 2] Buyers moving into [Property 2] on September 28, 2023, which was contrary to her the [Property 2] Sellers best interests, contrary to section 30(a) of the Rules, and constituted a failure to act with reasonable care and skill, contrary to section 34 of the Rules.

277. BCFSA alleges that Ms. Hothi instructed the [Property 2] Buyers to pay $188,000 directly to the [Property 2] Sellers' notary to cover a shortfall for [Seller 3]'s purchase of the Surrey Property, contrary to sections 30(a) and 33 of the Rules. The evidence regarding this allegation amounts mostly to a credibility battle between [Buyer 2] and Ms. Hothi with regard to her role in this payment. [Buyer 2] said Ms. Hothi told him to pay the funds while he was moving into [Property 2]. Ms. Hothi said she heard [Buyer 2] and [Seller 3] discussing it at the property but left because it made her uncomfortable. Again, I may discount Ms. Hothi's evidence in this regard for the purposes of this assessment. I note that [Buyer 2]'s evidence is supported by the [Property 2] Sellers' notary's statement that he received a call from Ms. Hothi stating she had arranged the $188,000. I find that [Buyer 2]'s evidence is not manifestly unreliable and the documentary evidence does not demonstrate the allegation is manifestly unfounded or exaggerated. I find that there are reasonable grounds to believe that Ms. Hothi facilitated the [Property 2] Buyers paying $188,000 to [Property 2] Sellers' notary on the understanding that the funds would be used to pay for the Surrey Property. I find that Ms. Hothi was at least reckless with regard to how the funds would be used and their use in advance of the [Property 2] closing. As noted above, I have found there are reasonable grounds to believe that Ms. Hothi was an implied agent of the [Property 2] Buyers. Given that, it was clearly against their interests to have $188,000 delivered to the [Property 2] Sellers' notary without any documentation controlling the use of those funds. I therefore find that there are reasonable grounds to believe that Ms. Hothi contravened sections 30(a) and 33 of the Rules in regard to her facilitating the $188,000 payment to [Property 2] Sellers' notary on September 28, 2023.

278. BCFSA alleges that Ms. Hothi contravened section 37(4) of RESA when she stated in the investigation that she had no knowledge or involvement with the [Property 2] Buyers' early possession of [Property 2] or their payment of $188,000 to the [Property 2] Sellers' notary. Given the above findings, I find that there are reasonable grounds to believe that this allegation is made out. In my view, if it were true that Ms. Hothi was involved in the early possession and the payment of $188,000, it is unlikely that she would forget that. As a result, I find there are reasonable grounds to believe that Ms. Hothi concealed the truth of her involvement in the early possession and the $188,000 payment to BCFSA in her statements to BCFSA contrary to section 37(4) of RESA.

279. Given the above discussion, I find there are reasonable grounds to believe that Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(a) of RESA.

280. In my view, the evidence, particularly concerning the early possession of [Property 2], her arranging the deposit payment directly to the [Property 2] Sellers without documentation amending the [Property 2] CPS, the agency issues, and the facilitation of early possession, is sufficient to also establish reasonable grounds to believe Ms. Hothi demonstrated incompetence and thereby engaged in professional misconduct within the meaning of section 35(1)(d) of RESA.

281. BCFSA alleges that Ms. Hothi's conduct in encouraging the [Property 2] Buyers to be unrepresented, documenting them as unrepresented, representing that she would take a $5,000 commission on the purchase of the Delta Property, and representing that the $188,000 paid to the [Property 2] Sellers' notary would remain in trust pending closing on [Property 2] constitutes deceptive dealing and therefore professional misconduct within the meaning of section 35(1)(c) of RESA.

282. Again, much of this comes from [Buyer 2]'s statements and is contradicted by Ms. Hothi's statements. Again, I am permitted to discount Ms. Hothi's evidence and must consider whether

the evidence, including Ms. Hothi's, renders [Buyer 2]'s statements manifestly unreliable or renders the allegation as a whole manifestly unfounded or exaggerated. As indicated above, I do not find [Buyer 2]'s evidence to be manifestly unreliable; his account is generally self-consistent and largely aligns with the documents. That evidence is sufficient, on this provisional assessment, to establish reasonable grounds to believe that Ms. Hothi engaged in the conduct alleged. That conduct appears to be misrepresentations regarding real estate services or regarding a trade in real estate such that they, if true, would constitute deceptive dealing. I therefore find that there are reasonable grounds to conclude that Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(c) of RESA, as alleged.

283. Regarding the alleged conduct unbecoming within the meaning of section 35(2). As discussed above, there are reasonable grounds to believe that Ms. Hothi encouraged the [Property 2] Buyers to come into the [Property 2] transaction without separate representation, facilitated their possession of [Property 2] before closing, and encouraged them to pay $188,000 toward the purchase price to the [Property 2] Sellers' notary without documentation. That is the kind of conduct that undermines public confidence in the real estate industry and brings the real estate industry into disrepute. I find there are reasonable grounds to believe that Ms. Hothi engaged in conduct unbecoming within the meaning of section 35(2) of RESA.

File Number 23-5168 – [Property 3]

284. Turning to File Number 23-5168, concerning [Property 3], BCFSA alleges that there are reasonable grounds to believe that Ms. Hothi failed to properly identify the third party who provided the Draft and to record that information in the brokerage's records, contrary to section 34 of the Rules and thereby committed professional misconduct within the meaning of section 35(1)(a) of RESA.

285. The *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, SOR/2002-184 ("**PCMLTFR**") section 58(1) requires real estate licensees to keep a receipt of funds record in respect of every amount they receive. The definition of a "receipt of funds record" in section 1(2) of the PCMLTFR requires that the record must include the date of the receipt; the name, address, date of birth, and principal business or occupation of the person from whom or on behalf of whom the funds are received; the amount of the funds received; the method of receipt; the currency; the number of any affected account and the account holder; the name and address of every other person or entity involved in the transaction; and the purpose of the transaction.

286. The information in Ms. Hothi's brokerage's file does not include the address, date of birth, principal business or occupation of [Individual 1], who provided the Draft. Ms. Hothi stated that she received copies of identification for "both individuals" but her brokerage's files do not contain those copies and she does not identify who the individuals she stated she received identification for were.

287. Previous decisions of the superintendent indicate that failure to comply with obligations under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, SC 2000, c 17 constitutes a failure to act with reasonable care and skill contrary to section 34 of the Rules: see *Prit (Re)*, 2023 BCSRE 51.

288. In my view, there are reasonable grounds to believe that Ms. Hothi failed to act with reasonable care and skill contrary to section 34 of the Rules by failing to properly identify the third party who provided the Draft and to record that information in the brokerage's records and thereby committed professional misconduct within the meaning of section 35(1)(a) of RESA.

File Number 24-5215 – [Property 4]

289. Turning to file number 24-5125, regarding [Property 4], BCFSA alleges Ms. Hothi contravened sections 30(a), 30(b), 30(e), 30(g), 30(i), 34, 54(3), and 65(1) of the Rules and section 37(4) of

RESA, committed professional misconduct within the meaning of sections 35(1)(a), (c), (d), and (g) of RESA, and engaged in conduct unbecoming within the meaning of section 35(2) of RESA.

290. BCFSA alleges Ms. Hothi failed to take reasonable steps to avoid a conflict of interest and engaged in prohibited dual agency contrary to sections 30(i) and 65(1) of the Rules. Ms. Hothi's own statements indicate she considered herself to have been in a conflict of interest as between her [family member] and [Seller 5] that required her to terminate the [Family Member 2] CPS and possibly also cancel the listing. The evidence indicates that [Seller 5] remained Ms. Hothi's client until at least March 8, 2024. The fact that Ms. Hothi's [family member] was the buyer is certainly suspicious and Ms. Hothi's own evidence is sufficient for me to conclude that, in relation to the [Family Member 2] CPS, there are reasonable grounds to believe that Ms. Hothi failed to take reasonable steps to avoid a conflict of interest and engaged in prohibited dual agency contrary to sections 30(i) and 65(1) of the Rules.

291. Regarding the 103 CPS, the evidence from [Seller 5] and [Seller 6 & 7] indicates that they believed Ms. Hothi represented [Seller 5] throughout the transaction. They consistently say that Ms. Hothi moved quickly through the documents and had them sign documents without explaining them.

292. I do note that [Seller 5]'s and [Seller 6 & 7] evidence is not particularly strong in certain respects. It bears certain internal inconsistencies, such as [Seller 6] first recalling an offer for approximately $690,000 and then not recalling that information in her interviews or [Seller 5] initially indicating he did not know [Family Member 1] was Ms. Hothi's [family member] and was involved in the purchase of [Property 4] but then, in a subsequent interview, recalling her involvement. This also conflicts with the notary's evidence, who said [Seller 5] knew the purchaser was Ms. Hothi's [family member]. [Seller 5] and [Seller 6 & 7] are also not particularly good historians on the evidence. They had a hard time recounting the order of events or indicating when specific things happened. For example, they did not recall with any specificity when [Seller 7] and [Seller 5] attended at [Property 4] to retrieve the heater. That said, they were adamant regarding Ms. Hothi rushing them through documents and that they believed she was representing [Seller 5] throughout. They also expressed confusion regarding who was representing [Seller 5] if Ms. Hothi was not, when presented with documents indicating Ms. Hothi no longer acted for [Seller 5] but acted for [Company 1].

293. Ms. Hothi said she explained the situation and that she had to cancel the listing. She said that she explained the documents to [Seller 6 & 7] and insisted on [Seller 5] being present.

294. The representation documents appear mostly in order on first blush, but closer review reveals issues with those documents. For example, the disclosures in the [Family Member 2] CPS are incorrectly filled out and the addenda to the [Family Member 2] CPS and the [Company 1] CPS indicated that Ms. Hothi acted for [Family Member 2] and [Seller 5], respectively. In addition, several of the documents tend to indicate that [Family Member 1] was involved in the potential purchase before March 8, 2024. These include the Agreement Regarding Conflict of Interest Between Clients dated March 4, 2024 but signed March 8, 2024, the Disclosure of Representation in Trading Services form dated March 1, 2024 indicating Ms. Hothi represented [Company 1] as an agent, the March 6, 2024 flooring invoice addressed to "[Family Member 1's spouse]", and the March 6, 2024 request to the strata to authorize flooring and painting renovations.

295. In my view, the evidence is sufficient to establish reasonable grounds to believe that Ms. Hothi represented [Family Member 1] and [Company 1] before releasing, or purporting to release, [Seller 5] as a client on March 8, 2024 and that Ms. Hothi led [Seller 5] to believe that she continued to act for him after March 8, 2024 and thereby either continued the explicit agency or created an implied agency relationship in her dealings with [Seller 5] in regard to the [Company 1] CPS.

296. Therefore, I find there are reasonable grounds to believe that Ms. Hothi contravened sections 30(i) and 65(1) of the Rules in regard to both the [Family Member 2] CPS and the [Company 1] CPS.

297. BCFSA also alleges contraventions of sections 30(a), 30(b), 30(g), and 34 of the Rules in regard to Ms. Hothi's recission of the counteroffer to [Licensee 3]'s clients.

298. The allegation in relation to section 30(b) of the Rules arises, on BCFSA's submission, from an allegation that the March 4, 2024 email from [Seller 6] was the first instruction to not proceed with the counteroffer price. BCFSA submits that [Seller 6]'s evidence was to that effect in one of the interviews. I have not been able to locate a statement in [Seller 6]'s interviews that this was the only or first instruction she gave regarding not proceeding with that transaction. This allegation is manifestly unfounded in my view.

299. In regard to the contraventions of sections 30(a), 30(g), and 34 of the Rules, [Seller 6 & 7] and [Seller 5]'s evidence is that Ms. Hothi effectively told them that the subjects in that transaction would be a hassle to deal with and that she put pressure on them to accept the contract that would proceed faster and more smoothly to avoid a large pending strata levy that did not, in fact, exist. Ms. Hothi stated she explained the details of the transaction offered by [Licensee 3]'s clients and [Seller 5] and [Seller 6 & 7] rejected it because it included a warranty regarding the appliances.

300. Although the evidence of [Seller 5] and [Seller 6 & 7] has some flaws, they are consistent in their allegations that Ms. Hothi did not read documents to them in detail and stated that the subjects were a problem or would delay closing on the transaction. If those were truly the issue, the best course of action for [Seller 5] would not have been to accept a lower offer from Ms. Hothi's [family member] which had no special urgency, but to at least send a counteroffer to [Licensee 3] without subjects, without the warranty regarding appliances, or both. This is particularly so because, if Ms. Hothi is to be believed, she was still the listing agent and set to earn a commission on the transaction as it involved her [family member] through the listing agreement. In that context, it appears unreasonable for Ms. Hothi to have had [Seller 5] proceed with the [Family Member 2] CPS without having more fully explored the potential transaction with [Licensee 3]'s clients, in particular because [Licensee 3] had expressed her client's continued interest in [Property 4] at an acceptable price. In my view, [Seller 6 & 7's] and [Seller 5]'s evidence, although flawed, is sufficiently consistent and sufficiently comports with the documentary evidence, for me to find there are reasonable grounds to believe that Ms. Hothi contravened sections 30(a), 30(g), and 34 of the Rules by failing to properly explore [Licensee 3]'s clients' interest and failing to advise [Seller 5] in an unbiased manner regarding the potential of countering the Second Offer.

301. BCFSA alleges that Ms. Hothi failed to advise [Seller 5] that he could have opposed the release of the deposit paid under the [Family Member 2] CPS, contrary to sections 30(a) and 34 of the Rules. [Seller 5] and [Seller 6 & 7] stated that they were not aware that they might have been able to keep the $30,000 deposit. Ms. Hothi stated that they were aware of the release of the deposit and understood the need to collapse the transaction and that they did not want the recission fee paid. I note, in this regard, that. [Family Member 2] had three clear business days to exercise her right to rescission of the [Family Member 2] CPS and therefore could have rescinded the [Family Member 2] CPS by midnight on March 7, 2024 at the latest pursuant to the *Home Buyer Rescission Period Regulation*, BC Reg 175/2022. By March 8, 2024, that right was not available to [Family Member 2]. I also note that Ms. Hothi consistently stated that [Seller 6] was eager to sell [Property 4] to obtain funds for [Seller 5]'s care, which does not align well with the explanation that she waived the recission fee.

302. Regarding Ms. Hothi's statements about the deposit and recission fee, I do not find they are sufficient to render the allegations manifestly unfounded or exaggerated or to render [Seller 5]'s or [Seller 6 & 7]' statement manifestly unreliable. I say this because Ms. Hothi's account does not comport particularly well with the documents before me. In particular, the significant coincidence

between the date of the termination of the [Family Member 2] CPS and the formation of the [Company 1] CPS and the fact that the deposit required under the [Company 1] CPS was not paid until shortly after [Family Member 2]'s deposit was paid suggests to me that these contracts were more closely connected that Ms. Hothi has indicated.

303. In my view, accounting for the issues with [Seller 6 & 7's] and [Seller 5]'s evidence, their continued insistence that very little was explained to them regarding the transaction, and the standard of proof required in this context, I find that there is sufficient evidence to establish reasonable grounds to believe that Ms. Hothi did not properly explain to [Seller 6 & 7] and [Seller 5] that the termination of the [Family Member 2] CPS might entitle [Seller 5] to claim the deposit funds paid pursuant to that contract. In my view, it was not in [Seller 5]'s best interests to have failed to explain that right and it is a failure to exercise reasonable care and skill to have so failed. I therefore find there are reasonable grounds to believe that Ms. Hothi failed to act in the best interests of [Seller 5] and with reasonable care and skill when she failed to advise [Seller 5] and [Seller 6 & 7] that they might be able to retain the deposit paid under the [Family Member 2] CPS, contrary to sections 30(a) and 34 of the Rules.

304. I note also that Ms. Hothi's own statements indicate that she believed that the [Family Member 2] CPS essentially had to be terminated because of her relationship with her [family member]. Reading her interview statements, she portrays this as necessary. It does not appear that [Seller 6 & 7] or [Seller 5] received independent legal advice in that regard and their own statements indicate they were not advised to do so. Ms. Hothi indicates she did advise them to obtain independent legal advice before accepting the [Company 1] CPS. Given Ms. Hothi's own statements in her interview and [Seller 6 & 7's] and [Seller 5]'s statements, I find there are reasonable grounds to believe that Ms. Hothi did not advise [Seller 5] or [Seller 6 & 7] to obtain independent legal advice before accepting the termination of the [Family Member 2] CPS and that she told them it was effectively necessary given her relationship with [Family Member 2]. In my view, [Seller 5] and [Seller 6 & 7] were under no obligation to have accepted the termination of the [Family Member 2] CPS and could have insisted that it proceed, notwithstanding Ms. Hothi's relationship with her [family member]. In my view, there are therefore reasonable grounds to believe that Ms. Hothi failed to act in [Seller 5]'s best interest in advising him to terminate the [Family Member 2] CPS, failed to advise him to obtain independent advice on matters outside her expertise in that regard, and failed to act with reasonable care and skill as well contrary to sections 30(a), 30(g), and 34 of the Rules.

305. BCFSA further alleges that Ms. Hothi used confidential information in her possession to prepare the [Company 1] CPS on behalf of [Company 1], contrary to section 30(e) of the Rules. Again, there is a credibility contest on this point. [Seller 6 & 7] and [Seller 5] state that they did not ask Ms. Hothi to find a buyer in her family. Ms. Hothi said they did and that they authorized disclosure of the terms of the [Family Member 2] CPS to her family. [Seller 6 & 7] and [Seller 5] have given particularly weak evidence on the issue as to whether they knew Ms. Hothi was representing her [family member]'s company in relation to the [Company 1] CPS. In particular, [Seller 5] said that he was not aware of that fact in one interview and then said that Ms. Hothi had told him this in a subsequent interview. That evidence is not self-consistent. That said, [Seller 6 & 7] and [Seller 5] have consistently stated that Ms. Hothi provided them with very little information and did not review forms with them. Without [Seller 6 & 7] and [Seller 5]'s evidence in this regard, the only direct evidence available to me is found in the fact that the [Family Member 2] CPS and the [Company 1] CPS contain almost identical terms. It is only by inference from [Seller 6 & 7's] and [Seller 5]'s general evidence that I could conclude that Ms. Hothi would not have sought [Seller 6 & 7's] and [Seller 5]'s consent before disclosing those details to [Family Member 1] or [Company 1]. In my view, that inference is just enough to establish reasonable grounds to believe that Ms. Hothi contravened section 30(e) of the Rules by sharing that information without advance consent from [Seller 5] or [Seller 6 & 7], but that case is weak.

306. BCFSA alleges that Ms. Hothi facilitated the early possession of [Property 4] by [Company 1], contrary to sections 30(a) and 34 of the Rules.

307. [Seller 6 & 7] and [Seller 5]'s evidence in this regard is particularly weak. This evidence essentially comes from their recounting of their attempts to pick up a heater from [Property 4]. They could not clearly recall if this occurred before or after the possession date.

308. The documentary evidence, however, is much clearer. That evidence demonstrates that the strata had noticed the locks on [Property 4] had been changed by March 30, 2024. Further [Family Member 1]'s email exchanges indicated that she was taking possession of [Property 4] on April 2, 2024, which appears to have been the actual closing date and that she had changed the locks back to the correct colour by April 6, 2024. I do note that [Family Member 1]'s email states she had not taken possession of [Property 4], but that does not comport with the evidence regarding the changed locks. I also note that Ms. Hothi stated that she did not have access to [Property 4] prior to closing because she did not have the keys until approximately April 10, 2024, that does not comport with the objective evidence. In my view, there is a compelling case that Ms. Hothi gave the keys to [Family Member 1] prior to closing and that [Family Member 1] or someone else on [Company 1]'s behalf accessed [Property 4] and changed the locks before March 30, 2024. I find that there are reasonable grounds to believe that Ms. Hothi failed to act in [Seller 5]'s best interests, as required by the ongoing implied agency relationship between them, and failed to act with reasonable care and skill by facilitating access to [Property 4] by [Company 1] prior to completion of the [Company 1] CPS, contrary to sections 30(a) and 34 of the Rules.

309. BCFSA also alleges that Ms. Hothi failed to act with reasonable care and skill when she failed to ensure timely disclosures were made to [Buyer 11 & 12] regarding her relationship with [Family Member 1] and [Family Member 1]'s status as a licensee, contrary to sections 53(4) and 34 of the Rules.

310. Regarding section 53(4), that allegation is not made out. The regulatory obligation in that regard is on [Family Member 1] and not on Ms. Hothi as it regards [Family Member 1]'s status as a licensee. Further, [Family Member 1] is not an "associate" of Ms. Hothi as defined in section 51 of the Rules and therefore Ms. Hothi was not required by the Rules to make that disclosure. Therefore, Ms. Hothi could not have contravened section 53(4) in that regard.

311. Regarding section 34, the evidence before me includes DOIT 3 and DOIT 4, which both purport to disclose Ms. Hothi's relationship with [Family Member 1] and not [Family Member 1]'s status as a licensee. The evidence from Ms. Hothi's managing broker, [Licensee 4], and [Buyer 11] all indicated that a disclosure regarding [Family Member 1]'s licensing status was not provided until well after the transaction had closed. The evidence indicates that Ms. Hothi was the lead realtor on the transaction. In my view, those facts establish reasonable grounds to believe that Ms. Hothi failed to act with reasonable care and skill by failing to ensure that [Family Member 1]'s licensing status was properly disclosed to [Buyer 11 & 12], contrary to section 34 of the Rules.

312. BCFSA further alleges several contraventions of section 33 of the Rules. I will address each of those below.

313. First BCFSA alleges that Ms. Hothi falsified signatures and submitted documents to her brokerage with non-genuine signatures. This relates, in BCFSA's allegation, to DOIT 1, DOIT 2, DOIT 3, DOIT 4, the Extension Addendum, and the Agency Addendum, and the general releases regarding the [Family Member 2] CPS.

314. In regard to DOIT 1 and DOIT 2, the evidence indicates that Ms. Hothi submitted those forms to her brokerage bearing the photocopied signatures of [Seller 5] and [Seller 6 & 7]. Ms. Hothi attempted to provide an explanation of what occurred with those documents in her interview with BCFSA. That explanation is very difficult to follow, but it appears her explanation was that Ms. Hothi brought the correct disclosure regarding [Family Member 1]'s licensing status but it was missing the page that included [Family Member 1]'s signature. So, according to Ms. Hothi, she had [Seller 6] make a copy of the document but [Seller 6] made a copy with [Seller 6 & 7's] and [Seller 5]'s signatures on it. This account is contradicted by [Seller 6]'s statement that she did not

copy or print documents for Ms. Hothi. It is also contradicted to some extent by the fact that the handwritten dates on the forms are identical and [Seller 6 & 7] and [Seller 5] stated that the dates are in Ms. Hothi's handwriting; in my view, it is unlikely that Ms. Hothi would have put in the dates before having [Seller 6 & 7] and [Seller 5] sign the document or having [Seller 6] make copies. In addition, Ms. Hothi's explanation seems implausible because it does not explain why she did not just have [Seller 6] print out a whole new form from the internet. Finally, even if Ms. Hothi's account was accurate, she still submitted a document to her brokerage bearing photocopied signatures that purported to be an original. I find that there are reasonable grounds to believe Ms. Hothi failed to act honestly in submitting DOIT 1 and DOIT 2 to her brokerage bearing duplicate signatures, contrary to section 33 of the Rules.

315. Regarding the Agency Addendum and the Extension Addendum, the signatures and handwriting are exactly the same. In my view, it is very unlikely that they were independently signed. There is no evidence from Ms. Hothi in regard to these documents, but they are clearly duplicate on their face. In addition, the DocuSign Envelope ID is different on each, indicating that they were separately DocuSigned by [Family Member 1] on behalf of [Company 1]. In my view, that could only have happened if [Family Member 1] DocuSigned the documents after [Seller 5]'s and [Seller 6 & 7's] signatures were copied. I find there are reasonable grounds to believe Ms. Hothi failed to act honestly in submitting the Agency Addendum and the Extension Addendum to her brokerage bearing duplicate signatures, contrary to section 33 of the Rules.

316. In regard to DOIT 3 and DOIT 4, the details of the execution of the documents themselves are suspicious. Those details include the fact that Ms. Hothi purported to make disclosure of her relationship with [Family Member 1] on April 24, 2024 on both DOIT 3 and DOIT 4, which does not appear to have been possible, given when Ms. Hothi listed [Property 4] for [Company 1]. They also include the fact that [Buyer 11 & 12] purported to have signed the document both on April 24, 2024, which does not appear possible, and June 21, 2024. Finally, they include the fact that the DocuSign envelope ID for DOIT 3 and DOIT 4 are the same, indicating they were signed as part of the same process, and that the Certificate of Completion for DOIT 3 and DOIT 4 indicates Ms. Hothi signed them on April 24, 2024 and had no record of the signatures of [Buyer 11 & 12], despite the document purporting to have been DocuSigned by [Buyer 11 & 12]. In addition, Ms. Hothi's managing broker's evidence indicates that DOIT 3 and DOIT 4 were not delivered to the brokerage until September 21, 2024.

317. In my view, the above establishes reasonable grounds to believe that the dates contained in DOIT 3 and DOIT 4 were false and that Ms. Hothi failed to act honestly in preparing those forms and delivering them to her brokerage with those dates on them, contrary to section 33 of the Rules. I am not convinced there is more than suspicion regarding the signatures being genuine.

318. Regarding the general releases, I am not convinced that there are reasonable grounds to believe that Ms. Hothi acted dishonestly with regard to those documents. First, the two versions on their face indicate that the one purporting to release the $30,000 deposit was signed first and the version purporting to indicate that there were no deposit funds held under the [Family Member 2] CPS was signed second, with the latter being produced by interlineation on and initialling of the former. The fact that the latter was produced at all is suspicious, given it does not reflect the terms of the [Family Member 2] CPS or the status of the deposit funds under that contract; however, it is not at all clear to me what use, if any, was made of that document.

319. BCFSA also alleges that Ms. Hothi misled [Seller 5] and [Seller 6 & 7] by telling them that a significant strata levy was pending for [Property 4]. In my view, [Seller 6 & 7's] and [Seller 5]'s evidence in this regard is more reliable than some of the other evidence they have given because it arises from their evidence with no provocation from BCFSA's investigators and, given [Seller 6 & 7] and [Seller 5] did not file a complaint, there is no clear motive for them to have falsified this statement. Again, the assessment comes down to credibility and on the evidence before me [Seller 6 & 7's] and [Seller 5]'s evidence is sufficient to establish reasonable grounds to believe that Ms. Hothi made this representation. In order to establish that she contravened section 33 of

the Rules, BCFSA need only prove that she failed to act honestly, which could include making a representation that she did not know was true. BCFSA does not need to know that the representation was made while Ms. Hothi knew it was false, only that she ought not to have made the representation without having confirmed it. I find there are reasonable grounds to think that at least this standard was met and that Ms. Hothi contravened section 33 by warning [Seller 5] and [Seller 6 & 7] that there was a significant pending strata levy on [Property 4]. I will discuss if a higher standard was met below in regard to the deceptive dealing allegations.

320. BCFSA further alleges that Ms. Hothi directed payment of $23,000 from [Seller 6 & 7] to [Company 3]. Ms. Hothi denies having any knowledge of the nature of this payment. [Seller 6] said she made this payment because Ms. Hothi told her to pay it in order to received $2,000 back. The coincidence of this payment with the release of the holdback funds from [Seller 5]'s notary, the fact that [Seller 6] appears to have initially thought she could pay the funds to the notary, the quick reply from Ms. Hothi with the company name, and [Seller 6]'s text message saying she wanted the funds in her name because she had paid made out a cheque for $25,000 in her name all tend to support [Seller 6's] account. In my view, there are reasonable grounds to think that [Seller 6]'s reference to a $25,000 cheque drawn on a [Bank 1] account was meant to be a reference to the $23,000 cheque she actually made out on a [Bank 1] account. The fact that [Seller 6] seems to have thought the funds should go to the notary indicates to me that she likely thought the payment had to do with the [Property 4] transaction. The fact that Ms. Hothi quickly produced the company name, without asking any questions in the text messages, indicates that Ms. Hothi already knew about this payment and therefore that she knew more than she told BCFSA in her interview. There is also no clear legitimate explanation for the payment. There is no invoice from [Company 3] to support this payment and there is no evidence that [Seller 5] or [Seller 6 & 7] arranged any work on [Property 4], in fact the evidence indicates they could not afford to perform any renovations. I find there are reasonable grounds to believe that Ms. Hothi instructed [Seller 6] to make the $23,000 payment to [Company 3] in relation to the release of the strata hold back and in doing so acted dishonestly contrary to section 33 of the Rules.

321. BCFSA further alleges that Ms. Hothi acted contrary to section 37(4) of RESA by making several false or misleading statements in her interviews and statements to BCFSA. BCFSA alleges that Ms. Hothi falsely stated that she knew nothing about the $23,000 payment to [Company 3], that she was separated from her husband in February 2024, and that she never picked up the $30,000 draft paid by [Family Member 2] under the [Family Member 2] CPS. In regard to the statement that she had separated from her husband, BCFSA also alleges that this constituted professional misconduct within the meaning of section 35(1)(g) of RESA because she made this statement in writing.

322. Taking each of these allegations in turn, I find that the evidence discussed above establishes reasonable grounds to conclude that Ms. Hothi knew more than she stated about the $23,000 payment during the investigation. The evidence that Ms. Hothi's brokerage actually received the $30,000 draft from [Family Member 2] also indicates that Ms. Hothi's statement in that regard was false and misleading. Regarding the separation from her husband, the social media posts establish that Ms. Hothi was spending time with her husband, show her kissing her husband, and show her going on trips with her husband. There are therefore reasonable grounds to believe that Ms. Hothi misrepresented the nature of her husband and her relationship during the period in question. In my view, these facts are all facts that should have either readily been in Ms. Hothi's mind or that were easily confirmable on the documents, including the transaction record sheet for the [Family Member 2] CPS. That is sufficient to establish reasonable grounds to believe that Ms. Hothi intentionally provided false information to BCFSA during the investigation and thereby contravene section 37(4) of RESA and committed professional misconduct within the meaning of section 35(1)(g) as alleged.

323. The above contraventions, established on a reasonable grounds basis, are sufficient to find there are reasonable grounds to believe that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(a) of RESA.

324. Regarding professional misconduct under section 35(1)(d), I find that the evidence concerning Ms. Hothi's handling of the Second Offer and the counteroffer to it, Ms. Hothi's dealings with the [Family Member 2] CPS, including the circumstances around its termination, Ms. Hothi's dealings with the agency relationship in regard to the [Company 1] CPS, Ms. Hothi's failure to notify her managing broker of the late payment of the deposit under the [Company 1] CPS, and Ms. Hothi's allowing early possession of [Property 4] are sufficient to establish reasonable grounds to believe that she engaged in professional misconduct within the meaning of section 35(1)(d) of RESA by demonstrating incompetence.

325. Turning to the alleged professional misconduct under section 35(1)(c), BCFSA alleges that both the whole of the circumstances and specific conduct on Ms. Hothi's part constitute professional misconduct under that section. BCFSA alleges that Ms. Hothi created false urgency by warning [Seller 5] and [Seller 6 & 7] regarding a pending strata levy that did not exist, instructing [Seller 6] to pay $23,000 to [Company 3] to receive the release of the $25,000 strata holdback, obtaining or using a release signed by [Seller 5] and [Seller 6 & 7] that stated no deposit had been paid under the [Family Member 2] CPS, and failing to provide [Seller 5] with unbiased information regarding the Second Offer by creating a misleading impression that a subject free offer was better and pressuring [Seller 5] and [Seller 6 & 7] to accept an offer from [Family Member 2] based on a possible special levy when she knew that [Licensee 3]'s clients were willing to proceed at a higher price with routine subjects.

326. As discussed above, there are reasonable grounds to believe that Ms. Hothi told [Seller 6] to pay the $23,000 to [Company 3] to secure release of the strata holdback funds. In my view, that suffices to establish reasonable grounds to believe that she made an intentionally false or misleading statement regarding the need for and use of those funds and thereby engaged in deceptive dealing.

327. The evidence is also sufficient to establish that there are reasonable grounds to believe that Ms. Hothi warned [Seller 6 & 7] and [Seller 5] about a possible special levy in a significant amount, which was false. Ms. Hothi ought to have known it was false and if she made that statement without having checked for pending special levies, in my view, that is sufficiently intentionally misleading to constitute deceptive dealing.

328. Regarding the release, as indicated above, I find that the evidence is not sufficiently clear that Ms. Hothi obtained that document under false pretences or used it toward some nefarious end. The circumstances surrounding the release are suspicious, but on their own are not sufficient to establish reasonable grounds to believe that Ms. Hothi was dishonest in obtaining it or had some dishonest purpose for it.

329. Finally, with regard to the submission that Ms. Hothi effectively pressured [Seller 6 & 7] and [Seller 5] into the [Family Member 2] CPS, and then the [Company 1] CPS, by failing to fully and properly advise them regarding the Second Offer and the difficulty of removing subjects and by making false statements regarding the strata levy, I am satisfied that the evidence discussed above provides reasonable grounds to believe that Ms. Hothi intentionally directed [Seller 5] and [Seller 6 & 7] away from the negotiation with [Licensee 3]'s clients and toward offers from her family and used misrepresentations and exaggerations to do so. In my view, that constitutes deceptive dealing.

330. I therefore find there are reasonable grounds to believe that Ms. Hothi engaged in deceptive dealing contrary to section 35(1)(c) of RESA by warning [Seller 6 & 7] and [Seller 5] about a pending significant special levy, in regard to the $23,000 payment by [Seller 6], and in effectively pressuring [Seller 5] and [Seller 6 & 7] into the [Family Member 2] CPS and the [Company 1] CPS, by failing to advise them fully regarding the Second Offer.

331. Turning to the alleged conduct unbecoming, I am satisfied that there are reasonable grounds to believe that Ms. Hothi misled [Seller 5] and [Seller 6 & 7] regarding a significant special levy and

failed to present the Second Offer and the possibility of obtaining a favourable offer from [Licensee 3]'s clients to prefer offers from Ms. Hothi's family. There are reasonable grounds to believe she then allowed her [family member]'s numbered company to take possession of [Property 4] before the possession date or provided them the means to take that possession. There are reasonable grounds to believe that once the transaction closed, she then obtained a $23,000 payment to her husband's company from [Seller 6] on false pretences. There are reasonable grounds to believe she then lied to her regulator regarding her knowledge and involvement regarding granting that early possession and her relationship with her husband around the time she engaged in the above conduct. In my view, there are reasonable grounds to believe that this conduct is contrary to the best interest of the public, would undermine public confidence in the real estate industry, and would bring the real estate industry into disrepute and thereby constitute professional misconduct within the meaning of section 35(2) of RESA.

File Number 24-5250 – [Property 5]

332. Turning to file number 24-5250, concerning [Property 5] and [Property 6], BCFSA alleges contraventions of sections 30(i) and 65(1) of the Rules and section 3(1) of RESA, professional misconduct within the meaning of sections 35(1)(a), (c), (d), and (g) of RESA, and conduct unbecoming within the meaning of section 35(2) of RESA. Below, I will address the alleged contraventions of the Rules and RESA and then turn to the allegations under section 35 of RESA.

333. Regarding the alleged contraventions of sections 30(i) and 65(1) of the Rules, I find that the fact that Ms. Hothi purported to act for the sellers in the sale of [Property 5] and [Property 6], at the same time, and the fact that the transactions were inherently connected by way of involving the same parties and being subject to each other, provides reasonable grounds to believe that Ms. Hothi, despite the way the file was papered, acted as an agent to all the parties involved. The transactions simply appear inextricably connected such that advising one party on one transaction would impact the other transaction. I find there are reasonable grounds to believe that Ms. Hothi contravened sections 30(i) and 65(1) of the Rules in regard to her representation of the parties in the purchase and sale of [Property 5] and [Property 6].

334. Regarding the alleged contravention of section 3(1) of RESA, the evidence from [Individual 2] indicates that Ms. Hothi engaged in managing landlord and tenant matters and negotiating contractual terms regarding the end of the tenancy by offering to have [Tenant 1] agree to terminate her lease in exchange for payment, which are rental property management services for which Ms. Hothi was not licensed. This establishes reasonable grounds to believe that Ms. Hothi provided rental property management services without being licensed to provide those services, contrary to section 3(1) of RESA.

335. The above is sufficient to establish reasonable grounds to believe Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(a) of RESA.

336. Regarding the alleged professional misconduct within the meaning of section 35(1)(d), Ms. Hothi's conduct in relation to her agency relationships in the purchase and sale of [Property 5] and [Property 6] establishes reasonable grounds to believe that she acted incompetently in dealing with those relationships and thereby demonstrated incompetence within the meaning of section 35(1)(d) of RESA.

337. BCFSA has made submissions that it is not pursuing the allegations of professional misconduct under section 35(1)(c) or (g) of RESA. I agree those are not made out in regard to the investigation in file number 24-5250.

338. Regarding the alleged conduct unbecoming within the meaning of section 35(2) of RESA, BCFSA argues that there are reasonable grounds to believe Ms. Hothi engaged in conduct unbecoming by telling [Individual 2] that she worked for the Court in order to intimidate him and as a result of her engaging in a conflict of interest and dual agency.

339. I agree that the reasonable grounds to believe Ms. Hothi engaged in a conflict of interest and a dual agency is sufficient to find, for the purposes of this proceeding, that there are reasonable grounds to believe she acted in a manner that undermines confidence in the real estate industry by compromising her representation of the parties in that transaction and would therefore be conduct unbecoming within the meaning of section 35(2)(b) of RESA.

340. With regard to Ms. Hothi's statements to [Individual 2], I find that the transcript of the telephone call is sufficient to establish reasonable grounds to believe that Ms. Hothi used her status as a licensee who was involved in court ordered sales to attempt to intimidate [Individual 2] by lending an air of authority to her statements regarding her compliance with the law. It is possible that she misspoke or misunderstood the nature of the difference between working for the Court and acting as a listing agent pursuant to a court ordered sale, and thus I am not convinced there is more than a suspicion that Ms. Hothi intentionally misrepresented her role. But I do find that there are reasonable grounds to believe that she was attempting to use her role to demonstrate the authority of her statements to dissuade [Individual 2] from pursuing remedies at the RTB. In my view, that conduct if proven would be disreputable and I therefore find there are reasonable grounds to believe Ms. Hothi acted in a manner that would bring the real estate industry into disrepute and thereby committed conduct unbecoming within the meaning of section 35(2) of RESA.

File Number 24-5624 – [Property 7]

341. Turning to File Number 24-5624, concerning [Property 7], BCFSA alleges contraventions of sections 30(i) and 65(1) of the Rules, professional misconduct within the meaning of sections 35(1)(a), (c), (d), and (g) of RESA, and conduct unbecoming within the meaning of section 35(2) of RESA.

342. The evidence before me is not sufficient to indicate that Ms. Hothi engaged in a conflict of interest or dual agency. The forms executed in this matter appear to be in order and there is no evidence that the [Property 7] Buyers believed Ms. Hothi continued to represent them after they signed the necessary release forms authorized by the superintendent.

343. BCFSA argues that the pattern of conduct demonstrated by Ms. Hothi's conduct in relation to the [Property 2] Buyers and the transaction in [Property 5] and [Property 6], that is sufficient to raise the matter above a mere suspicion and to establish reasonable grounds to believe Ms. Hothi acted for both parties in this transaction.

344. In my view, the fact that there are reasonable grounds to believe that Ms. Hothi engaged in conflicts of interest or dual agency in other circumstances, even where she had a pre-existing relationship with a party and purported to release them, is not sufficient to conclude that she does so in any case where she signs an Agreement Regarding Conflict of Interest Between Clients and there is no further evidence that she represented opposing parties to a transaction. I note in this regard, that the Agreement Regarding Conflict of Interest Between Clients is the statutory form required by the superintendent pursuant to section 65(3) when resolving conflicts of interest between clients. In my view, the presence of that agreement, in absence of evidence that the conflict persisted or that Ms. Hothi contravened her persisting obligations to each client, renders this allegation manifestly unfounded or exaggerated. I find there are not reasonable grounds to believe Ms. Hothi failed to take reasonable steps to avoid a conflict of interest or engaged in impermissible dual agency contrary to sections 30(i) and 65(1) of the Rules and there are not reasonable grounds to believe Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(a) of RESA in regard to those alleged contraventions.

345. BCFSA also argues that Ms. Hothi's conduct involved preparing a contract of purchase and sale and associated addendum that benefitted the [Property 7] Buyers. In my view, that arrangement also benefitted her clients because it resulted in the sale of [Property 7] for more than the listing price at the time. In my view, it is not sufficient to establish reasonable grounds to believe an

agency relationship persisted to show that Ms. Hothi prepared a contract including terms proposed by an unrepresented party; there must be some evidence that the party relied on her opinion or advice or understood her to be their agent, or that she otherwise became an implied agent of the party.

346. The remaining allegations focus on the Credit Addendum and allege that Ms. Hothi facilitated mortgage fraud in that regard. In my view, the fact that the mortgage financing for the transaction equaled exactly 80% of the face value of the [Property 7] CPS brings this matter beyond mere suspicion that mortgage fraud occurred. The coincidence that the mortgage amount was exactly the amount that is permitted by a federally regulated lender for properties over $1,500,000 and that the loan amount would exceed the permitted loan to value ratio if the credit were accounted for, provides reasonable grounds to believe that the Credit Addendum was used to facilitate mortgage fraud. This, combined with the warnings from the Practice Standards Manual predating the conduct, indicates that there are reasonable grounds to believe that Ms. Hothi ought to have been on notice that this kind of arrangement presented a risk of mortgage fraud. I do note that the Credit Addendum provided some explanation for its existence, being related to renovations and upgrades, but the fact that it was executed on the same day as the [Property 7] CPS and not just included in its contents or reflected in the stated purchase price, indicates that it was not necessary to have it in an addendum, unlike in file number 23-24968 and 24-5144, where the addendum post dated the contract.

347. In my view, the foregoing is sufficient to establish reasonable grounds to believe that Ms. Hothi's preparation of the Credit Addendum, with no indication on the face of the [Property 7] CPS that the addendum existed, constituted deceptive dealing by way of an artifice, agreement, device, or scheme to obtain money, profit, or property by illegal means, in that the mortgage loan amount appears to have been illegal and the Credit Addendum was used to obtain the money from the mortgage draw for the purchase of Ms. Hothi's clients property and from which Ms. Hothi received her fees. There are therefore reasonable grounds to believe she engaged in professional misconduct within the meaning of section 35(1)(c) of RESA in this regard.

348. There are also reasonable grounds to believe that Ms. Hothi's conduct in facilitating the Credit Addendum were not competent and therefore demonstrated incompetence within the meaning of section 35(1)(d) and, although BCFSA has not alleged this, constitute a failure to act with reasonable care and skill and a failure to act honestly contrary to sections 33 and 34 of the Rules. In my view, facilitating such a transaction undermines confidence in the real estate industry and brings the mortgage industry into disrepute.

349. Therefore, I find there are reasonable grounds to believe that Ms. Hothi engaged in professional misconduct within the meaning of section 35(1)(a), (c), and (d) of RESA and conduct unbecoming within the meaning of section 35(2) of RESA in regard to file number 24-5624.

350. BCFSA alleges that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(g) of RESA in relation the conduct at issue in file number 24-5624. I see no evidence that this matter involved Ms. Hothi making a false or misleading statement in a document required or authorized to be produced or submitted under RESA. I find there are no reasonable grounds to believe that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(g) in relation to file number 24-5624.

File Number 26-6645 – [Property 8]

351. Turning to file number 26-6645, concerning [Property 8], I will address the alleged contravention of section 7(3) of RESA, then turn to each of BCFSA's alleged contraventions of the Rules, then to the alleged contravention of section 37(4) of RESA, followed by an assessment of the allegations of professional misconduct and conduct unbecoming.

352. First, BCFSA alleges that Ms. Hothi provided real estate services outside of her brokerage in relation to the assignment of [Property 8] from [Licensee 1 & Seller 8] to [Buyer 13], contrary to section 7(3) of RESA. The evidence supporting this is essentially that Ms. Hothi's brokerage had no record of the assignment and the fact that she was discussing the assignment and extensions of the assignment with [Buyer 13]. There are reasonable grounds to conclude that Ms. Hothi was finding a party to acquire real estate or finding real estate for a party to acquire by suggesting [Buyer 13] take the assignment and by helping [Buyer 13] find a second assignee, was advising on the appropriate price for real estate when discussing the amounts he would owe to acquire [Property 8], negotiating the price and terms of a trade in real estate with [Buyer 13] when discussing his payments and how they were to be made, negotiating the terms of a trade in real estate when she dealt with the developer to extend the [Property 8] Contract, and presenting offers to dispose of or acquire real estate when negotiating the [Property 8] Assignment. The fact that Ms. Hothi's brokerage had no records of the assignment transaction or Ms. Hothi's role in it provides reasonable grounds to conclude that she was operating outside her brokerage in that regard, contrary to section 7(3) of RESA. The fact that Ms. Hothi requested a payment of $5,000 to her brokerage does not render these allegations manifestly unfounded.

353. I find that there are reasonable grounds to believe that Ms. Hothi provided real estate services in relation to the [Property 8] Assignment outside of her brokerage, contrary to section 7(3) of RESA.

354. BCFSA alleges that Ms. Hothi engaged in a dual agency and a conflict of interest by providing trading services to and representing both [Licensee 1 & Seller 8] and [Buyer 13] in regard to [Property 8]. The evidence before me indicates that Ms. Hothi was the designated agent for the [Property 8] Contract and that she, as indicated above, provided [Buyer 13] real estate services in relation to the [Property 8] Assignment. There is no record in the evidence before me that Ms. Hothi made a disclosure to [Buyer 13] regarding her representation of [Buyer 13] or that she terminated her representation of [Licensee 1 & Seller 8]. [Buyer 13]'s evidence was essentially that he believed Ms. Hothi was his realtor and he trusted her. I note that it would have been essentially impossible for Ms. Hothi to have had a documented agency relationship with [Buyer 13] because [Licensee 1] was a member of her real estate team and section 42.4(5) of the Rules requires all members of a team be designated agents of a client. In my view, the conduct demonstrated on the record before me provides reasonable grounds for me to conclude that Ms. Hothi formed an agency relationship with [Buyer 13], explicit or implied, while she was the designated agent for [Licensee 1 & Seller 8]. That is sufficient for Ms. Hothi to have engaged in dual agency, by representing the assignees and the assignor in the [Property 8] Assignment, contrary to section 65(1) of the Rules, and to have engaged in a conflict of interest. The evidence does not establish any evidence that Ms. Hothi took steps to clarify her representation of [Buyer 13] or to document or disclose her relationship with him. I find that the evidence is sufficient to establish that Ms. Hothi failed to take reasonable steps to avoid that conflict of interest and engaged in a dual agency contrary to sections 30(i) and 65(1) of the Rules.

355. BCFSA alleges that Ms. Hothi contravened section 30 of the Rules in various ways. I note that, as indicated above, I find there are reasonable grounds to believe that Ms. Hothi was in an explicit or implied agency relationship with [Buyer 13]. That is sufficient to trigger the duties under section 30 of the Rules. I will address each alleged contravention in turn.

356. BCFSA alleges that Ms. Hothi failed to explain and document her relationship as a licensee with [Buyer 13] and failed to disclose that [Licensee 1] was a licensee and a team member of Ms. Hothi, which constitute contraventions of sections 30(a) and 30(f) of the Rules.

357. On the evidence before me, Ms. Hothi's brokerage had no record of any disclosures to [Buyer 13] regarding her relationship with him. [Buyer 13]'s evidence indicated he believed she acted for him and that he did not know [Licensee 1] was a licensee. There is no evidence that Ms. Hothi disclosed the nature of her relationship with [Buyer 13] to him or disclosed her relationship with

[Licensee 1] to [Buyer 13]. I find the evidence is sufficient to establish reasonable grounds to believe that Ms. Hoti did fail to make those disclosures.

358. Regarding section 30(a) of the Rules, I do not agree that section applies to Ms. Hothi's disclosure of her relationship with [Buyer 13]. If she failed to make that disclosure and she was not [Buyer 13]'s agent, then the requirements of section 30 of the Rules would not be triggered at all. If she failed to make the disclosure and she was [Buyer 13]'s agent, then [Buyer 13] appears to have correctly believed it and the lack of disclosure would not have compromised his interest. I therefore find that there are not reasonable grounds to believe that Ms. Hothi contravened section 30(a) of the Rules in this regard.

359. That is not to say that there are no other statutory issues with that failure to disclose. In my view, the failure to disclose would clearly constitute a failure to make the required disclosure of representation required under section 54 of the Rules, regardless of Ms. Hothi's relationship with [Buyer 13]. The facts regarding Ms. Hothi's relationship with [Buyer 13] is also material information regarding the real estate services provided by Ms. Hothi, to wit, whether she was providing those services as an agent. Her failure to make that disclosure would therefore be contrary to section 30(f) of the Rules, given my earlier conclusion, on the applicable standard, that she was an implied agent of [Buyer 13]. I therefore find that there are reasonable grounds to believe that she contravened sections 30(f) and 54 of the Rules in regard to the failure to disclose the nature of her relationship with [Buyer 13].

360. Regarding the failure to disclose [Licensee 1]'s relationship with Ms. Hothi, I find that the evidence establishes reasonable grounds to believe that she contravened section 30(f) of the Rules. [Licensee 1] was a member of Ms. Hothi's team his agency relationship was material information regarding Ms. Hothi's representation of [Buyer 13]. I find that there are reasonable grounds to believe that Ms. Hothi contravened section 30(f) of the Rules in regard to her failure to disclose her relationship with [Licensee 1].

361. BCFSA alleges that Ms. Hothi instructed [Buyer 13] to write a bank draft of $40,000 directly to [Licensee 1 & Seller 8] without a contract setting out the terms or conditions for that payment and prior to obtaining mortgage approval or viewing [Property 8]. [Buyer 13] stated that he paid the $40,000 by way of two $20,000 drafts on or about July 10, 2025, one payable to each of [Licensee 1 & Seller 8], based on Ms. Hothi's instructions and following her request for a draft in the amount of $62,780 to [Licensee 1 & Seller 8] and a draft in the amount of $5,000 to her brokerage. The evidence indicates that [Buyer 13] was having serious financial troubles and had, at no point, obtained mortgage financing for [Property 8]. I find there are reasonable grounds to conclude that Ms. Hothi knew at the time that [Buyer 13] did not have financing and would have difficultly securing it. I find that there are reasonable grounds to conclude that Ms. Hothi instructed [Buyer 13] regarding the payment of $40,000 directly to [Licensee 1 & Seller 8] without there being a contract in place setting out the nature, terms, or conditions of that payment and before [Buyer 13] had determined whether he could finance the purchase of [Property 8] neither of which was in his best interests, contrary to section 30(a) of the Rules.

362. BCFSA alleges that Ms. Hothi misrepresented to [Buyer 13] that [Property 8] was a one-bedroom apartment when it was a studio, contrary to section 30(a) of the Rules.

363. [Buyer 13]'s evidence is clear in this regard and he provides a clear reason why he wanted a one-bedroom and not a studio: it would provide him some space to live with his son. The text messages in evidence generally support [Buyer 13]'s account that he believed it was a one-bedroom and discovered it was a studio when he viewed it on August 21, 2025. That is sufficient evidence to provide reasonable grounds to believe that Ms. Hothi misrepresented [Property 8] as a one-bedroom to [Buyer 13]. Given [Buyer 13]'s evidence regarding the importance of [Property 8] being a one-bedroom, I find it was not in his best interest for Ms. Hothi to make that representation and that there are therefore reasonable grounds to believe she contravened section 30(a) of the Rules in making that representation.

364. BCFSA also alleges that Ms. Hothi committed deceptive dealing within the meaning of section 35(1)(c) in making this representation. The evidence before me, from [Buyer 13]'s statements, is that Ms. Hothi had not seen [Property 8]. It is therefore not clear to me if she knew that fact or not. On the evidence before me, I cannot conclude that there are reasonable grounds to believe that Ms. Hothi knew that fact and intentionally misrepresented [Property 8] to [Buyer 13], as opposed to being reckless or careless in that regard. I do, however, conclude there are reasonable grounds to believe that she made that statement without having confirmed the answer and that she therefore failed to make reasonable inquiries regarding a property [Buyer 13] was seeking to acquire contrary to section 30(h) of the Rules. I further find that she, at least, acted recklessly or carelessly with regard to the truth that [Property 8] was a studio, contrary to section 33 of the Rules.

365. BCFSA further submits that Ms. Hothi acted contrary to sections 30(a) and 30(d) by advising [Buyer 13] to purchase [Property 8] despite knowing his financial situation and failing to recommend he obtain independent professional advice in that regard.

366. [Buyer 13]'s evidence is that Ms. Hothi encouraged him to purchase [Property 8] and advised him that it would be a good purchase and that Ms. Hothi was aware of his financial situation. This was supported by the evidence regarding the foreclosure proceedings and the text messages. [Buyer 13] also stated that Ms. Hothi said she would help him get a mortgage. In my view, enticing [Buyer 13] to purchase the property when she knew he was facing financial distress, including by telling him that the purchase was a good deal, was not acting in [Buyer 13]'s best interest; therefore, there are reasonable grounds to believe the allegation that Ms. Hothi contravened section 30(a) of the Rules in that regard is made out.

367. In addition, Ms. Hothi ought to have directed [Buyer 13] to obtain mortgage advice from a qualified broker or other qualified financial professional before he entered into the [Property 8] Assignment or advanced funds toward the purchase of [Property 8], and the evidence indicates she did not. Ms. Hothi did provide [Buyer 13] with [Broker 1]'s contact information in February 2025, but it is not clear that this was provided in relation to [Property 8] and [Buyer 13] stated that Ms. Hothi indicated she would help him obtain a mortgage. In my view, there are reasonable grounds to believe that Ms. Hothi failed to advise [Buyer 13] to obtain independent advice regarding his ability to obtain a mortgage for [Property 8] before he paid $40,000 to [Licensee 1 & Seller 8] or signed the [Property 8] Assignment. I find there are reasonable grounds to believe that Ms. Hothi contravened section 30(d) of the Rules in that regard.

368. BCFSA alleges that Ms. Hothi contravened section 37(4) of RESA by deleting the WhatsApp messages between her and [Buyer 13]. Again, BCFSA must show that there are reasonable grounds to believe that Ms. Hothi did this intentionally.

369. The evidence supporting this comes from [Buyer 13]'s statement in his May 8, 2026 interview that Ms. Hothi changed the settings on their WhatsApp chat to make the messages disappear and that she had done so recently. It is supported by [Buyer 13]'s evidence that she repeatedly attempted to call him and, when they spoke, she said she had disclosure forms for him to sign. There appears to be no clear reason why he would need to sign disclosure forms in May 2026. It is supported by the fact that BCFSA contacted Ms. Hothi's managing broker regarding the investigation on May 4, 2026, and that Ms. Hothi began repeatedly contacting [Buyer 13] immediately after that it despite her last contact being a month previous, and that Ms. Hothi began attending at his home, including in the late evening.

370. Looking at that evidence, I find that it establishes reasonable grounds to believe that Ms. Hothi knew that she was under investigation and was attempting to contact [Buyer 13] in that regard. Although [Buyer 13]'s evidence has some weaknesses in this regard, notably that he said he was not invited over to Ms. Hothi's home before May 2026 when the text messages indicate he may have been in November 2025, I find that the whole of the evidence before me is sufficient to establish those grounds, including the timing, the text messages, and [Buyer 13]'s statements.

371. It also establishes reasonable grounds to infer that the deletion of the WhatsApp messages was motivated by a desire to conceal them. In my view, this should be considered in light of the fact that Ms. Hothi knew she was the subject of multiple regulatory investigations concerning issues regarding her agency relationships and failures to properly document them and the relatively strong evidence that Ms. Hothi was dealing with [Buyer 13] outside of her brokerage. That evidence is sufficient to provide a reasonable basis to believe that Ms. Hothi intentionally set the WhatsApp chat between her and [Buyer 13] to have the messages disappear, and therefore effectively destroy or conceal them, contrary to section 37(4) of RESA.

372. Given I have found that there are reasonable grounds to believe Ms. Hothi has contravened the sections of the Rules and RESA indicated above, there are reasonable grounds to believe Ms. Hothi has committed professional misconduct within the meaning of section 35(1)(a) of RESA.

373. Ms. Hothi's conduct in failing to clearly establish the nature of her relationship with [Buyer 13], directing him to make payments without a contract in place, and making false representations regarding real estate she had not even seen, which there are reasonable grounds to believe occurred, provides reasonable grounds to believe that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(d) of RESA.

374. BCFSA alleges that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(g) of RESA in relation to her dealings with [Buyer 13]. BCFSA withdrew this allegation in its submissions and I see no evidence that this matter involved Ms. Hothi making a false or misleading statement in a document required or authorized to be produced or submitted under RESA. In fact, it appears that, in this case, the absence of statutory disclosure forms is an issue. I find there are not reasonable grounds to believe that Ms. Hothi committed professional misconduct within the meaning of section 35(1)(g) in relation to file number 26-6645.

375. Regarding the alleged conduct unbecoming, the evidence before me establishes reasonable grounds to believe that Ms. Hothi, who knew [Buyer 13] was experiencing financial difficulties and had separated from his wife, convinced [Buyer 13] to pay $40,000 toward an assignment of [Property 8] from two of Ms. Hothi's clients, one of which was also her teammate, without knowing if [Buyer 13] could obtain financing to close the transaction. In my view, such conduct is of the sort that would undermine public confidence in the real estate industry and bring it into disrepute. I therefore find there are reasonable grounds to believe that Ms. Hothi committed conduct unbecoming within the meaning of section 35(2) of RESA in regard to her conduct in relation to [Property 8].

Summary of Findings Regarding Misconduct

376. To summarize, I have found there are reasonable grounds to believe that Ms. Hothi engaged in the following misconduct in regard to the following file numbers:

    a. in regard to file number 20-896, regarding [Property 1]:

        i. failed to act with reasonable care and skill by failing to make reasonable inquiries regarding the permits for the construction at [Property 1] in September 2019 and in January 2020 and any stop work orders, contrary to section 3-4 of the Rules;

        ii. failed to act with reasonable care and skill and failed to act honestly by falsely telling [Licensee 2] that there were three offers higher than [Buyer 1]'s and failing to disclose that the offers were verbal, contrary to section 3-4 of the Rules;

        iii. failed to act with reasonable care and skill and to act honestly by falsely stating in the January 2, 2020 listing of [Property 1] that it was vacant, contrary to section 3-4 and section 4-7 of the Rules;

iv. intentionally withheld or concealed information regarding the tenancy and her knowledge of it from BCFSA, contrary to section 37(4) of RESA;

v. engaged in professional misconduct within the meaning of section 35(1)(a) of RESA by contravening the above sections;

vi. engaged in professional misconduct within the meaning of section 35(1)(d);

vii. provided a false written statement to BCFSA regarding her disclosure of the offers on [Property 1] and thereby committed professional misconduct within the meaning of section 35(1)(g);

viii. provided a misleading written statement to BCFSA stating that there were tenant's possessions in [Property 1] and not mentioning the tenant living there, thereby committing professional misconduct within the meaning of section 35(1)(g) of RESA;

ix. included knowingly false information that [Property 1] was vacant in the January 2, 2020 listing of [Property 1] and told [Licensee 2] there were three offers higher than [Buyer 1]'s, thereby engaging in professional misconduct within the meaning of section 35(1)(c) of RESA; and

x. made knowing misrepresentations in advertising, to another licensee, and to her regulator in regard to file number 20-896, thereby engaging in conduct unbecoming within the meaning of section 35(2) of RESA;

b. in regard to file numbers 23-4968 and 24-5144:

i. established an agency relationship with the [Property 2] Buyers in regard to their purchase of [Property 2] while acting for the [Property 2] Sellers, contrary to sections 30(i) and 65(1) of the Rules;

ii. represented in the disclosure forms with regard to [Property 2] transaction that she was not an agent for the [Property 2] Buyers, contrary to section 33 of the Rules;

iii. continued to list [Property 2] pursuant to a listing agreement that she knew contained a false signature for [Seller 3], contrary to section 33 of the Rules;

iv. facilitated the [Property 2] Buyers early possession of [Property 2], contrary to sections 30(a) of and 34 of the Rules;

v. Facilitated the $188,000 payment from the [Property 2] Buyers to the [Property 2] Sellers' notary, contrary to sections 30(a) and 33 of the Rules;

vi. concealed her involvement in the early possession of [Property 2] by the [Property 2] Buyers and the $188,000 payment to BCFSA during the investigation contrary to section 37(4) of RESA;

vii. engaged in professional misconduct within the meaning of section 35(1)(a) of RESA by contravening the above sections;

viii. engaged in professional misconduct within the meaning of section 35(1)(d) of RESA;

ix. engaged professional misconduct within the meaning of section 35(1)(c) of RESA when she encouraged the [Property 2] Buyers to be unrepresented, documented them as unrepresented, represented that she would take a $5,000 commission on the purchase of the Delta Property, and represented that the $188,000 paid to the [Property 2] Sellers' notary would remain in trust pending closing on [Property 2]; and

x. engaged in conduct unbecoming within the meaning of section 35(2) of RESA when she encouraged the [Property 2] Buyers to come into [Property 2]

transaction without representation, facilitated their possession of [Property 2] before closing, and encouraged them to pay $188,000 toward the purchase price to the [Property 2] Sellers' notary without documentation;

c. in regard to file number 23-5168, regarding [Property 3], I find that there are reasonable grounds to believe that Ms. Hothi failed to properly identify the third party who provided the Draft and to record that information in the brokerage's records contrary to section 34 of the Rules and thereby committed professional misconduct within the meaning of section 35(1)(a) of RESA;

d. in regard to file number 24-5215, regarding [Property 4]:

   i. represented [Seller 5], [Family Member 2], and [Family Member 1] in regard to the [Family Member 2] CPS and the [Company 1] CPS, contrary to sections 30(i) and 65(1) of the Rules;

   ii. failed to properly explore [Licensee 3]'s clients' interest and failing to advise [Seller 5] in an unbiased manner regarding the potential of countering the Second Offer, contrary to sections 30(a), 30(g), and 34 of the Rules;

   iii. failed to advise [Seller 5] and [Seller 6 & 7] that they might be able to retain the deposit paid under the [Family Member 2] CPS, contrary to sections 30(a) and 34 of the Rules;

   iv. advised [Seller 5] to terminate the [Family Member 2] CPS, failed to advise him to obtain independent advice on matters outside her expertise in that regard, and failed to act with reasonable care and skill as well contrary to sections 30(a), 30(g), and 34 of the Rules;

   v. share information about the [Family Member 2] CPS with [Family Member 1] without advance consent from [Seller 5] or [Seller 6 & 7], contrary to section 30(e) of the Rules;

   vi. facilitated access to [Property 4] by [Company 1] prior to completion of the [Company 1] CPS, contrary to sections 30(a) and 34 of the Rules;

   vii. failed to ensure that [Family Member 1]'s licensing status was properly disclosed to [Buyer 11 & 12], contrary to section 34 of the Rules;

   viii. submitted DOIT 1 and DOIT 2 to her brokerage bearing duplicate signatures, contrary to section 33 of the Rules;

   ix. submitted the Agency Addendum and the Extension Addendum to her brokerage bearing duplicate signatures, contrary to section 33 of the Rules;

   x. prepared DOIT 3 and DOIT 4 with false dates and delivered them to her brokerage with those dates on them, contrary to section 33 of the Rules;

   xi. warned [Seller 5] and [Seller 6 & 7] that there was a significant pending strata levy on [Property 4], contrary to section 33;

   xii. instructed [Seller 6] to make the $23,000 payment to [Company 3] in relation to the release of the strata hold back, contrary to section 33 of the Rules;

   xiii. intentionally provided false information to BCFSA during the investigation regarding her knowledge of the $23,000 payment by [Seller 6], that she had separated from her husband in February 2024, and that she never picked up the $30,000 deposit owed under the [Family Member 2] CPS, contrary to section 37(4) of RESA and committed professional misconduct within the meaning of section 35(1)(g) in relation to the statement concerning her husband;

   xiv. committed professional misconduct within the meaning of section 35(1)(a) of RESA by contravening the above sections;

xv. committed professional misconduct within the meaning of section 35(1)(d) of RESA;

xvi. warned [Seller 6 & 7] and [Seller 5] about a pending significant special levy, instructed [Seller 6] to make the $23,000 payment to [Company 3], and effectively pressured [Seller 5] and [Seller 6 & 7] into the [Family Member 2] CPS and the [Company 1] CPS by failing to advise them fully regarding the Second Offer and warning them of a pending significant special levy and thereby committed professional misconduct within the meaning of section 35(1)(c) of RESA; and

xvii. engaged in conduct unbecoming within the meaning of section 35(2) of RESA when she misled [Seller 5] and [Seller 6 & 7] regarding a significant special levy, failed to present the Second Offer and the possibility of obtaining a favourable offer from [Licensee 3]'s clients to prefer offers from her family, allowed her [family member]'s numbered company to take possession of [Property 4] before the possession date or provided them the means to take that possession, obtained a $23,000 payment to her husband's company from [Seller 6] on false pretences, lied to her regulator regarding her knowledge and involvement regarding granting that early possession and her relationship with her husband around the time she engaged in the above conduct;

e. in regard to file number 24-5250, regarding [Property 5]:

i. represented the buyers and sellers of [Property 5] and [Property 6] in connected transactions, contrary to sections 30(i) and 65(1) of the Rules;

ii. provided rental property management services without being licensed to provide those services, contrary to section 3(1) of the Rules;

iii. engaged in professional misconduct within the meaning of section 35(1)(a) of RESA by contravening the above sections; and

iv. engaged in conduct unbecoming within the meaning of section 35(2)(b) of RESA when she engaged in a conflict of interest and a dual agency in the purchases and sales of [Property 5] and [Property 6] and used her role as a licensee who had worked on court ordered sales to dissuade [Individual 2] from pursing and RTB;

f. in regard to file number 24-5624, regarding [Property 7], I find that there are reasonable grounds to believe that Ms. Hothi facilitated the Credit Addendum, contrary to sections 33 and 34 of the Rules and thereby committed professional misconduct within the meaning of sections 35(1)(a), (c), and (d) of RESA and engaged in conduct unbecoming within the meaning of section 35(2) of RESA; and

g. in regard to file number 26-6645, regarding [Property 8]:

i. provided real estate services in relation to the [Property 8] Assignment outside of her brokerage, contrary to section 7(3) of RESA;

ii. represented both [Buyer 13] and [Licensee 1 & Seller 8] in regard to the [Property 8] Assignment, contrary to sections 30(i) and 65(1) of the Rules;

iii. failed to disclose the nature of her relationship with [Buyer 13], contrary to sections 30(f) and 54 of the Rules;

iv. failed to disclose [Licensee 1]'s relationship with Ms. Hothi, contrary to section 30(f) of the Rules;

v. instructed [Buyer 13] regarding the payment of $40,000 directly to [Licensee 1 & Seller 8] without there being a contract in place setting out the nature, terms, or conditions of that payment and before [Buyer 13] had determined whether he could finance the purchase of [Property 8], contrary to section 30(a) of the Rules;

vi. represented to [Buyer 13] that [Property 8] was a one-bedroom and not a studio, contrary to sections 30(a) and (h) and 33 of the Rules;

vii. enticed [Buyer 13] to purchase the property when she knew he was facing financial distress, including by telling him that the purchase was a good deal, contrary to section 30(a) of the Rules;

viii. failed to advise [Buyer 13] to obtain independent mortgage advice before entering into the [Property 8] Assignment, contrary to section 30(d) of the Rules;

ix. intentionally set the WhatsApp chat between her and [Buyer 13] to have the messages disappear, and therefore effectively destroy or conceal them, contrary to section 37(4) of RESA;

x. engaged in professional misconduct within the meaning of section 35(1)(a) of RESA by contravening the above sections;

xi. committed professional misconduct within the meaning of section 35(1)(d) of RESA; and

xii. committed conduct unbecoming within the meaning of section 35(2) of RESA when she convinced [Buyer 13], who she knew was experiencing financial difficulties and had separated from his wife, to pay $40,000 toward an assignment of [Property 8] from two of Ms. Hothi's clients, one of which was also her teammate, without knowing if [Buyer 13] could obtain financing to close the transaction.

Are the circumstances of the case sufficiently urgent and serious?

377. As indicated above, once I have determined that there are reasonable grounds to establish that a licensee has committed professional misconduct or conduct unbecoming, I must determine whether both branches of section 45(1)(b) are satisfied. To make an order, I must find that the time it would take to bring the matter to hearing would be detrimental to the public interest and that it is in the public interest to make the order. Meeting the first branch establishes urgency. Meeting the second branch establishes sufficient seriousness to warrant the order. Under both branches, I must consider the public interest and whether the allegation is sufficiently serious, the evidence sufficiently strong, and the likelihood of repetition is sufficiently high. It is not sufficient that the order be merely desirable: *Martel (Re)*, 2023 BCRMB 6, at para 65.

Urgency

378. I begin with the question of urgency. The question before me in regard to urgency is whether waiting to complete an investigation or hold a hearing would be detrimental to the public interest.

379. BCFSA indicates that for file numbers 20-896, 23-4968, and 24-5215, the matter is unlikely to proceed to hearing and reach a discipline order, if any, within the next six to twelve months. In my view, that is a reasonable estimate. Although all those files involve Ms. Hothi, they involve different transactions and parties. I agree it is likely to take a substantial amount of time to get those matters all to hearing accounting for necessary pre-hearing procedures and inevitable scheduling issues with the parties and witnesses involved.

380. Regarding the four files that have not yet been transferred to BCFSA Legal, being 23-5168, 24-5250, 24-5624, and 26-6645, those are likely to take longer to proceed to a discipline hearing, if the investigations disclose contraventions once completed. That is less concerning in regard to files like 23-5168, in which the contraventions proven on the standard before me are of a less serious nature; however, that is concerning in regard to files like 26-6645, which concern serious allegations that Ms. Hothi operated outside of her brokerage to take advantage of an unrepresented individual in financial distress to the benefit of her teammate.

381. It is also concerning that there are repeated credible allegations that Ms. Hothi has misled BCFSA during investigations by providing false statements or concealing information. In all three files in which Ms. Hothi was interviewed, there are reasonable grounds to believe she contravened section 37(4) of RESA. Further, in file number 26-6645 there are reasonable grounds to believe that Ms. Hothi deleted WhatsApp messages or caused them to be deleted when she discovered she was under investigation, contrary to section 37(4) of RESA.

382. From an urgency perspective, the above contraventions of section 37(4) have two effects. First, providing false information or withholding, concealing, or destroying information or evidence delays investigations by confusing matters and requiring further investigation to eliminate false narratives. Second, it may make the investigation or the holding of a hearing impossible, where evidence is destroyed or not discovered. Both results are detrimental to the public interest.

383. BCFSA submits that the urgency is elevated in this case because Ms. Hothi's misconduct seems to have continued despite receiving a letter of advisement in 2023, administrative penalties in 2024, and being the subject of multiple regulatory investigations.

384. I note in this regard that the materials in relation to file number 24-5215, involving [Property 4], included an email from Ms. Hothi's managing broker to [Licensee 1] dated July 31, 2024, in which the managing broker, after asking for a required Disclosure of Interest in Trade form states the following: "BCFSA has several files going for Rimpy and with the addition of various lawsuits, we need to make sure she runs as clean as she can." Although Ms. Hothi was not copied on that email, I infer from this email that Ms. Hothi was aware of the regulatory scrutiny she was under at that time.

385. Notwithstanding these regulatory interventions, there are reasonable grounds to believe that Ms. Hothi continued to seriously misconduct herself in relation to her dealings with [Buyer 13] and [Property 8].

386. Further, there is credible and compelling evidence to believe that Ms. Hothi, after receiving an administrative penalty for failing to respond promptly to an investigation, proceeded to contravene section 37(4) of the Rules in interviews by making false or misleading statements and by deleting WhatsApp conversations in file numbers 23-4968 and 24-5144, regarding [Property 2], and 24-5215, regarding [Property 4].

387. BCFSA also argues that the conduct for which it has established reasonable grounds is serious and includes harm to the public. I agree with that assessment. In particular, the matters before me indicate credible and compelling evidence to believe that Ms. Hothi has repeatedly failed to properly respect the boundaries of her permitted agency relationships. There is also compelling and credible evidence to believe that Ms. Hothi caused the [Property 2] Buyers to pay $188,000 to the [Property 2] Sellers' notary without proper documentation or reason, facilitated the early possession of [Property 2] without the [Property 2] Sellers' approval, preferred the offers made by her family on [Property 4] without properly exploring alternative offers, instructed [Seller 6] to pay $23,000 to 1068052 BC Ltd, her husband's company, on false pretences, allowed her [family member]'s company access to [Property 4] before the contractual possession date, failed to properly advise [Seller 5] regarding his rights to the deposit paid under the [Family Member 2] CPS, and induced [Buyer 13] to pay $40,000 to her teammate and his spouse based in part on a false representation regarding the nature of [Property 8] and when she knew [Buyer 13] was in financial distress. I should not be taken to say that all of those allegations are equally strong, but some of them, particularly the allegations regarding [Seller 6]'s $23,000 payment, [Buyer 13]'s $40,000 payment, her biased dealing with the offers for [Property 4], and the facilitation of early possession of [Property 4] are particularly compelling.

388. BCFSA also points to Ms. Hothi's large volume of transactions and possible further agency issues. In my view, those allegations are largely speculative and based on mere suspicion. There is cause, given Ms. Hothi's conduct in regard to [Property 4] and her history with [Seller 1], for

concern, but without any evidence, I cannot conclude that anything untoward happened in those matters with sufficient certainty to give them any weight in making an order.

389. In my view, the allegations are sufficiently serious, numerous, and likely to take significant time to complete the investigations, where they are still under investigation, and get to a discipline hearing that it would be detrimental to the public interest to wait for completion of the outstanding investigations and for a hearing before making an order. I acknowledge, in coming to that conclusion, that I have assessed the facts before me on a provisional basis and that the record with regard to some of the allegations is weak; however, the evidence with regard to some of the allegations, including some of the serious allegations of improper handling of signatures, improper formation and maintenance of agency relationships, and obstructing BCFSA's investigations are reasonably strong.

390. I find that it would be detrimental to the public interest to wait for a hearing before making an order.

Seriousness

391. Turning to the question of the seriousness of the misconduct, the question before me is whether the conduct proven is sufficiently serious and the case for that misconduct is sufficiently strong to justify the order to be made. In this regard, BCFSA seeks a suspension order, and other orders that flow from that suspension order.

392. I note that an interim suspension is a severe response. It can deprive a licensee of their ability to earn a living and perhaps to provide for their family or dependents. It can damage their business going forward and their reputation. When made without notice, they have no ability to anticipate or prepare for it. Making a suspension order on an interim basis and without notice effectively deprives the licensee of many of their procedural and pre-hearing rights to contest the evidence. It is generally, therefore, reserved for circumstances where the risk to the public or the public interest is sufficiently serious that conditions will not suffice to address the risk.

393. In this regard, I find that the evidence indicates Ms. Hothi is a very busy licensee who does a substantial volume of work. If real estate transactions are not her sole source of income it is likely a major source. I therefore find that a suspension order would have a substantial impact on Ms. Hothi.

394. In this regard, BCFSA points to three cases, *Law Society of Ontario v De Bartolo*, 2023 ONLSTH 134 ("***De Bartolo***"), *Luk (Re)*, 2005 LSBC 44, and *Law Society of Upper Canada v Antonios Karalis*, 2009 ONLSHP 87 ("***Karalis***"), for the proposition that concerns regarding integrity are sufficient to justify an interim suspension order.

395. The conduct in *De Bartolo* involved repeated, seriously dishonest, fraudulent, and possibly criminal misconduct. The lawyer in that case had, allegedly, used his trust account to facilitate money laundering, investment schemes, and fraud. In making their decision the panel stated, at para 38, "Where integrity cannot be relied upon, restrictions cannot be relied upon either." The panel issued the suspension order with the lawyer's consent.

396. In *Luk (Re)*, the lawyer provided a falsified cheque to the Law Society to seek to establish that the lawyer had made a payment, which she had not made. The panel noted, at para 21, that the lawyer could not "be relied upon to respond truthfully to inquires of her Law Society with respect to ongoing investigations of complaints." They further reasoned that the intentional attempt to mislead the Law Society was contrary to the public interest and created risk to the public and her clients. The panel concluded that conditions would not suffice to address the risk. I note that the misconduct had been acknowledged by the lawyer before the panel issued the suspension order.

397. In *Karalis*, the lawyer falsely commissioned an affidavit containing false information and embellished its contents to the Court, submitted a form bearing a false signature, failed to respond to a client, and lied to the Law Society to state that he had not prepared the noted affidavit. The lawyer had a history of engaging in dishonest conduct amounting to conduct unbecoming. The lawyer was the subject of 11 ongoing investigations involving his integrity and compliance with court orders. There were also competence issues raised with regard to a seizure disorder suffered by the lawyer. In ordering an interim suspension, the panel was particularly concerned by the "substantial evidence of a lack of integrity" by the lawyer: para 63.

398. BCFSA also relies on *Toughlouian v Registrar, Real Estate and Business Brokers Act 2002*, 2021 CanLII 131308 (ON LAT), in which the registrant was alleged to have engaged in abuse and harassment of the registrant's former business partners, members of the public, colleagues, and other registrants and failing to disclose criminal charges. The Registrar suspended her and she appealed. The registrant's evidence in the proceeding admitted to some of the misconduct involving her business partners. The conduct at issue demonstrated a "continuous pattern of escalating and prolonged conduct of abuse and harassment": at para 15. The Adjudicator found that the conduct was sufficient to justify an interim suspension even though it did not involve clients. The Adjudicator also found that it was in the public interest to immediately suspend the registrant based on the nature of the conduct and the "apparent strength of the Registrar's allegations in the Notice…": at para 23.

399. Although these decisions were rendered by other regulators or in other regulated industries, I find that they are useful and persuasive with regard to the importance of integrity and the point that a regulator can have serious concerns in areas outside the risk to the public or to clients. I agree with the views expressed in the *De Bartolo*, *Luk (re)*, and *Karalis*, that integrity is a fundamental requirement of a member of a regulated profession and that conditions are unlikely to be useful if the regulated person has demonstrated a lack of integrity because the person cannot be trusted to comply with those conditions. Indeed, conditions sufficient to govern an individual whose integrity is in serious doubt would have to be so strict as to amount to a suspension.

400. BCFSA argues that I should find that the case before me is sufficient to conclude that Ms. Hothi lacks the integrity necessary to abide by any reasonable conditions aimed at protecting the public, such as restrictions on her ability to represent parties. In assessing that argument, I note that the above cases all include matters in which there appears to have been either admissions regarding the underlying conduct or a strong case against the lawyer or registrant.

401. The strength of the evidence, on a provisional basis, in each file against Ms. Hothi is varied but extensive. As indicated above, some of the allegations are relatively weak, despite providing sufficient grounds to believe Ms. Hothi has contravened the legislation.

402. For example, the case against Ms. Hothi regarding her allegedly sharing the details of the [Family Member 2] CPS with [Family Member 1] without [Seller 6 & 7] or [Seller 5]'s consent is weak.

403. Other evidence has not been tested. For example, Ms. Hothi's account of what occurred regarding [Buyer 13] has not been obtained. Ms. Hothi's account of what occurred regarding [Property 5] has also not been tested. That is not to say that the evidence in all of those files is weak. In my view, the evidence supporting the conclusion that Ms. Hothi provided real estate services outside of her brokerage in relation to [Buyer 13] and obtained funds from him without properly advising him that [Property 8] was a studio is strong, on a provisional basis. As is the evidence supporting the conclusion that Ms. Hothi engaged in a conflict of interest in regard to the transactions concerning [Property 5] and [Property 6].

404. The evidence that Ms. Hothi has demonstrated a somewhat cavalier attitude toward the completion of disclosure forms and the delivery of the forms to her brokerage is strong. This includes the late delivery of DOIT 2, the dating issues in DOIT 3 and DOIT 4 and their late delivery, and the late delivery of [Family Member 1]'s disclosure of her licensing status to [Buyer

11 & 12], if that was done at all. It also includes, the incorrect disclosures of representation set out in the addendums to the [Family Member 2] CPS and the [Company 1] CPS. It further includes Ms. Hothi's continuing to list [Property 2] using a listing agreement that she knew bore a false signature.

405. The evidence that Ms. Hothi engaged in a conflict of interest with regard to her representation of the [Property 2] Buyers and the [Property 2] Sellers, her representation of [Seller 5], [Family Member 2], and [Company 1], and in regard to her dealings with [Buyer 13] when she was agent for [Licensee 1 & Seller 8] is strong, on a provisional review.

406. The evidence that Ms. Hothi misrepresented the tenancy status of [Property 1] and that she misled [Licensee 2] with regard to both the amount and the form of the offers she had received is strong, on a provisional review.

407. The evidence that Ms. Hothi improperly and dishonestly duplicated the signatures on documents between DOIT 1 and DOIT 2 and between the Extension Addendum and the Agency Addendum is strong, on a provisional review.

408. The evidence that Ms. Hothi made misleading statements to BCFSA during the investigation regarding her relationship with her husband, regarding [Company 1]'s taking early possession of [Property 4], and downplaying the nature of the tenancy of [Property 1] is strong, on a provisional review.

409. In between the strong and the weak cases, sit most of the allegations set out by BCFSA in its materials. These include very concerning allegations that Ms. Hothi engaged in various forms of deceptive dealing, facilitated mortgage fraud, and preferring offers from Ms. Hothi's family over following up on offers from [Licensee 3]'s clients,

410. By saying that the cases are either weak or strong, I am conscious that further evidence may further strengthen or weaken the case against Ms. Hothi in regard to any matter. As indicated above, some consideration of the strength of the case is necessary on a provisional basis in order to assess what order ought to be made, if any.

411. In my assessment, the allegations against Ms. Hothi include strong cases of serious misconduct including attempting to mislead her regulator and engaging in conflicts of interest that amounted to dual agency on multiple occasions, which impugn her integrity, particularly given she has documented the transactions to avoid the appearance of a conflict of interest. Further, there are very credible cases of serious dishonesty in her dealings with [Buyer 13], [Seller 6 & 7], and [Licensee 2]. I agree with BCFSA that this significantly impugns Ms. Hothi's integrity.

412. In addition, the evidence that Ms. Hothi's team was advised by her managing broker to ensure her files were run cleanly in 2024 and the strong evidence that Ms. Hothi provided [Buyer 13], a person she knew was in financial distress and possibly emotionally vulnerable after his wife had left him, real estate services outside of her brokerage in 2025 after her managing broker issued that warning causes me real concern that she may seek to avoid or fail to comply with any conditions imposed to attempt to reduce the risk to the public and to the public interest posed by Ms. Hothi's continued ability to provide real estate services.

413. The fact that, despite Ms. Hothi being subject to multiple regulatory investigations and receiving two administrative penalties, there are still strong or credible allegations against her regarding her honesty to her regulator and her actions in regard to [Buyer 13] further supports my concern that conditions will not suffice.

414. The evidence before me and as detailed above, indicates that there are strong and credible cases indicating that Ms. Hothi presents a risk to the public, given the credible allegations that

she has caused losses to her clients or other parties, and that she presents a risk to the public interest, given the strong and credible cases that she has repeatedly engaged in conflicts of interest and dual agency and has provided false or misleading evidence to her regulator.

415. I find that, on a provisional assessment of the evidence, the only appropriate order I can make that will sufficiently protect the public and protect the public interest is to order that Ms. Hothi be suspended pending discipline hearings in the above matters. I have decided not to parse, at this time, which hearings must conclude prior to the end of that suspension order. In my view, that parsing is better done on a reapplication under section 45(4)(b) or on the superintendent's own initiative under section 45(4)(a).

416. As part of my suspension order, I agree that it is necessary to preclude Ms. Hothi from acting as an unlicensed assistant. In my view, the scope and seriousness of the risk is significant enough to require her to not be involved in real estate transactions pending those discipline hearings.

417. I also find that it would be inappropriate for Ms. Hothi's team to trade on the name "Rimpy Hothi" during the period of Ms. Hothi's suspension because doing so would give a false impression to the public. I therefore grant the orders sought by BCFSA with regard to the renaming of the Rimpy Hothi Group and that she be prohibited from using the team name "Rimpy Hothi Group" during the period of her suspension.

418. In making these orders, I am conscious of the serious impact this will have on Ms. Hothi, on her real estate team, and on her clients. I am also conscious that further facts may disprove some of the allegations I have found are supported by reasonable grounds, even those that currently appear strong. In my view, the superintendent is sometimes required to take significant steps to ensure protection of the public at an early stage. This is one of those times.

Conclusion

419. I find there are reasonable grounds to believe that Ms. Hothi has engaged in professional misconduct and conduct unbecoming as detailed above and as a result that there are reasonable grounds to believe that the superintendent could make an order under section 43 of RESA.

420. I find that the circumstances of the case are sufficiently urgent and serious as to require that I make the following orders:

    a. Under section 45(2)(a) of RESA, that the licence of Rimpy Hothi (150979) and of Rimpy Hothi Personal Real Estate Corporation (150979PC), be suspended; and

    b. Under section 45(2)(c) of RESA, that Rimpy Hothi:

        i. is prohibited from acting as, or performing the functions of, an unlicensed assistant during the period of suspension;

        ii. is ordered to change the registered name of the Rimpy Hothi real estate team within ten (10) days of this order; and

        iii. is prohibited from using the team name "Rimpy Hothi Group" for the duration of the above ordered suspension.

421. Ms. Hothi may, pursuant to section 45(6) of RESA, require a discipline hearing to be held in this matter by delivering written notice to the superintendent, or may, pursuant to section 45(4)(b) of RESA, apply to vary or rescind the above order. The superintendent may also, pursuant to section 45(4)(a), vary or rescind the above order on his own initiative.

422. Pursuant to section 54(1)(e) of RESA, Ms. Hothi has the right to appeal the above order to the Financial Services Tribunal within 30 days from the date of this decision: *Financial Institutions Act*, section 242.1(7)(d), and *Administrative Tribunals Act*, section 24(1).

Issued at North Vancouver, British Columbia, this 4th day of September, 2026.

“Original signed by Gareth Reeves”

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Gareth Reeves
Hearing Officer

File # 23-4968

BC FINANCIAL SERVICES AUTHORITY

IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*

SBC 2004, c 42 as amended

AND

IN THE MATTER OF

RIMPY HOTHI

(150979)

AND

RIMPY HOTHI PERSONAL REAL ESTATE CORPORATION
(150979PC)

ORDER IN URGENT CIRCUMSTANCES

Upon reading the sworn Affidavits of [Investigator 1], Manager, Investigations, employed by BC Financial Services Authority ("**BCFSA**"), and upon hearing the submissions of Amandeep K Sandhu, counsel for BCFSA, I am satisfied that the following requirements of section 45(1) of the *Real Estate Services Act* ("**RESA**") have been met:

1. there has been conduct on the part of Rimpy Hothi and Rimpy Hothi Personal Real Estate Corporation (collectively, "**R Hothi**") in respect of which the Superintendent of Real Estate (the "**Superintendent**") could make an order under section 43 of the RESA;
2. the length of time required to complete an investigation or hold a discipline hearing, or both, would be detrimental to the public interest; and
3. it is in the public interest to make an order under section 45 of the RESA against R Hothi.

THEREFORE, I ORDER:

1. under section 45(2)(a) of the RESA, that the licence of Rimpy Hothi (150979) and of Rimpy Hothi Personal Real Estate Corporation (150979PC) be suspended; and
2. under section 45(2)(c) of the RESA, that Rimpy Hothi:
    a. is prohibited from acting as, or performing the functions of, an unlicensed assistant during the period of suspension;
    b. is directed to change the registered name of the Rimpy Hothi Group real estate team within ten (10) days of the Order; and
    c. is prohibited from using the team name "Rimpy Hothi Group" for the duration of the above ordered suspension,

with immediate effect and until such time as further order is made by the Superintendent or a court.

TAKE NOTICE that R Hothi may, pursuant to section 45(6) of the RESA, require a discipline hearing to be held by delivering written notice to the Superintendent at BCFSA's office: Suite 600, 750 West Pender, Vancouver, British Columbia, V6C 2T8.

This Order is made on September 4th, 2026 at North Vancouver, British Columbia.

FOR BC FINANCIAL SERVICES AUTHORITY

"Original signed by Gareth Reeves"

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Gareth Reeves
Hearing Officer