

IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*  
S.B.C. 2004, c. 42 as amended

AND

IN THE MATTER OF

PEI HUANG  
(159150)

CONSENT ORDER

RESPONDENT: Pei Huang, representative, MVP Realty Ltd. dba RE/MAX Metro Realty, while licensed with Regent Park Fairchild Realty Inc.

DATE OF REVIEW MEETING: February 22, 2017

DATE OF CONSENT ORDER: February 22, 2017

CONSENT ORDER REVIEW COMMITTEE: R. Holmes, Q.C., Chair  
R. Gialloredo  
S. Sidhu  
L. Hrycan  
J. Daly

ALSO PRESENT: G. Thiele, Director, Legal Services  
S. Sheina, Legal Counsel for the Real Estate Council

PROCEEDINGS:

On February 22, 2017 the Consent Order Review Committee ("Committee") resolved to accept the Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver ("ASF") submitted by Pei Huang.

**WHEREAS** the ASF, a copy of which is attached hereto, has been executed by Pei Huang and on behalf of the Council;

**NOW THEREFORE**, the Committee having made the findings proposed in the attached ASF, and in particular having found that Pei Huang committed professional misconduct within the meaning of section 35(1)(a) of the *Real Estate Services Act*, orders that Pei Huang:

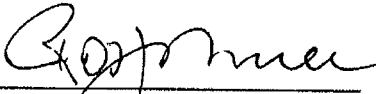
1. have his licence suspended for 180 days and that he will not provide services as an unlicensed assistant during the time of his licence suspension;

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2. pay a discipline penalty to the Council in the amount of \$5,000 within ninety (90) days from the date of the Order herein;
  3. at his own expense will register for and successfully complete the Real Estate Trading Services Remedial Education Course as provided by the Real Estate Division, Sauder School of Business at the University of British Columbia within the time period as directed by the Council; and
  4. pay enforcement expenses of this Consent Order to the Council in the amount of \$1,500 within sixty (60) days from the date of the Order herein.

If Pei Huang fails to comply with any term of this Order, the Council may suspend or cancel his licence without further notice to him, pursuant to sections 43(3) and 43(4) of the *Real Estate Services Act*.

Dated this 22<sup>nd</sup> day of February, 2017 at the City of Vancouver, British Columbia.

ON BEHALF OF THE CONSENT ORDER REVIEW COMMITTEE



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R. Holmes, Q.C., Chair  
Consent Order Review Committee

Attch.

IN THE MATTER OF THE REAL ESTATE SERVICES ACT  
S.B.C. 2004, c. 42

IN THE MATTER OF

PEI HUANG  
(159150)

AGREED STATEMENT OF FACTS,  
PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER

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The following agreement has been reached between Pei Huang ("Mr. Huang") and the Real Estate Council of British Columbia (the "Council").

- A. Mr. Huang hereby consents to an Order to be made pursuant to sections 41 and 43 of the *Real Estate Services Act* (the "RESA") that he is suspended for 180 days and that he will not provide services as an unlicensed assistant during the time of his licence suspension.
- B. Mr. Huang also consents to pay a discipline penalty to the Council in the amount of \$5,000 within ninety (90) days from the date of the Order herein.
- C. Mr. Huang further consents that he, at his own expense will register for and successfully complete the Real Estate Trading Services Remedial Education Course as provided by the Real Estate Division, Sauder School of Business at the University of British Columbia within the time period as directed by the Council.
- D. Mr. Huang consents to pay enforcement expenses of this Consent Order to the Council in the amount of \$1,500.00 within sixty (60) days from the date of the Order herein.
- E. Further, Mr. Huang consents that if he fails to comply with any of the terms of the Order set out above, a Discipline Hearing Committee may suspend or cancel his licence without further notice to him pursuant to section 43(3) and 43(4) of the RESA.
- F. As a basis for this Order, Mr. Huang acknowledges and agrees that the facts set forth herein are correct:
  - 1. Mr. Huang was at all relevant times licensed as a representative with either Regent Park Fairfield Realty Inc. or RE/MAX Metro Realty (the "Brokerages").
  - 2. Mr. Huang's licensing history is as follows:

**AGREED STATEMENT OF FACTS, PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

<b>Brokerage</b>	<b>Licence Level</b>	<b>Licence Category</b>	<b>Start Date</b>	<b>End Date</b>
M V P Realty Ltd. (X030292)	Representative	Trading	24/09/2014	Present
Regent Park Fairchild Realty Inc. (X021528)	Representative	Trading	26/05/2010	24/09/2014

3. In April 2014, Mr. Huang was contacted by the owner of a business called SS and instructed to market the sale of the business assets and assignment of the lease. Mr. Huang stated that the owner did not want to list the sale on MLS and had instead placed an advertisement on Craigslist putting Mr. Huang's phone number as the contact.
4. Mr. Huang provided a statement to the Council dated August 5, 2015 that stated since the seller was his first client and had provided him with referrals, he agreed to market the sale for free and accordingly did not have a service agreement signed.
5. On or about September 11, 2014, Mr. Huang first met with PHW, the complainant and YTF, who wished to jointly purchase SS's business assets and assignment of lease for the sum of \$35,000.
6. Mr. Huang stated to the Council that PHW and YTF "agreed with everything in the Contract of Purchase and Sale" but wanted to make the purchase in the name of a limited company which they asked him to register.
7. Mr. Huang further stated that he "thought it was okay to let them write a deposit cheque to the seller and I wrote a receipt for the deposit".
8. PHW and YTF each paid \$5,000 by cheque to the seller as a deposit. The Council was provided with a handwritten receipt dated September 11, 2014 that acknowledged receipt of \$10,000 deposit and was signed by Mr. Huang. PHW also provided the Council with a text dated September 11, 2014 at 14:28 from Mr. Huang that confirmed receipt of a \$10,000 deposit.
9. The handwritten receipt stated that the deposit was refundable if the "deal collapsed because of the accountability of the owner". It further stated "otherwise the owner will keep the deposit towards the purchase price of the [business] in the amount of \$35,000. In any event the owner after received the deposit and get into another deal with any other third party, the owner will pay \$20,000 to the purchaser."
10. Mr. Huang provided the Council with an unsigned Contract of Purchase and Sale for Business Assets and assignment of the lease ("Contract") dated September 1, 2014. The Contract stated the purchase price was \$41,000 and identified the buyer as YTF and stated there was no agency relationship with the buyer.
11. Mr. Huang stated that he did not discuss his relationship with PWH and YTF with respect to the transaction. He also stated that YTF did not want to sign the Contract until her husband returned from an overseas trip.

**AGREED STATEMENT OF FACTS, PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

12. Mr. Huang stated that he advised PWH and YTF that “they should have their own lawyer to complete the sale and they agreed”.
13. PHW stated to Council staff that Mr. Huang did not show her a Contract of Purchase and Sale for Business Assets and assignment of the lease, at any time during her dealings with him about the business purchase.
14. On September 12, 2014, Mr. Huang incorporated a numbered company in whose name the purchase was to be made. Mr. Huang stated he paid the necessary costs for incorporation and was not reimbursed by PHW or YTF.
15. PWH stated to Council staff that she assumed Mr. Huang was representing her during the transaction.
16. Mr. Huang stated that a few days before completion, the seller told him that a water pipe in the building had burst and the business was flooded. As a result the business was closed and had to be restored at a cost of \$30,000. Notwithstanding, PHW and YTF were still interested in proceeding with the purchase as long as the business was in the same condition as it had been before the flood.
17. On October 20, 2014, Mr. Huang personally paid \$30,000 to a contractor for flood repair and restoration damage at the request of the seller who was out of the country.
18. Following the restoration work, Mr. Huang stated that PHW and YTF had a disagreement about the possession date of the business and he was advised that only PHW would be proceeding with the purchase. At PHW’s request, Mr. Huang took the necessary steps to remove YTF from the numbered company and stated that he was not paid for the costs he incurred.
19. The Council was provided with a handwritten declaration signed by YTF and dated October 28, 2014, which confirmed her withdrawal from the purchase of the business and her agreement to remove her name from the numbered company. She confirmed receipt of \$5,000 deposit from the seller. Mr. Huang stated to Council that in fact, it was PHW who paid \$5,000 to YTF.
20. Mr. Huang provided the Council with an unsigned copy of the Contract of Purchase and Sale of Business Assets and assignment of lease dated October 22, 2014 (“Second Contract”). The Second Contract stated the purchase price was \$35,000 and identified the buyer as the numbered company and stated there was no agency relationship with the buyer.
21. On October 28, 2014, PHW made a further payment in the amount of \$20,000 by cheque payable to Mr. Huang. Mr. Huang stated to Council staff that he did not deliver the \$20,000 cheque to his brokerage. Mr. Huang stated that the seller instructed him to keep the \$20,000 as partial reimbursement towards the \$30,000 restoration costs he had incurred on the seller’s behalf.

**AGREED STATEMENT OF FACTS, PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

22. On October 28, 2014, Mr. Huang provided a handwritten receipt to PHW acknowledging receipt of \$30,000 as part of the "purchase price" of the business. The receipt also stated "If the ownership transfer is not able to complete this money will be returned to buyer." The receipt was signed by Mr. Huang.
23. Mr. Huang stated that PHW was unable to pay a damage deposit in the amount of \$40,000 to the landlord. On the instruction of the seller, he drafted a Commercial Sublease Agreement dated October 29, 2014 ("Sublease Agreement") so that the seller would continue to be the tenant and sublease the business to PHW in the name of her numbered company. The Sublease Agreement was never signed.
24. On or about the last week of October 2014, Mr. Huang stated that PHW was provided with the keys to the business on the instructions of the seller.
25. On October 30, 2014, PHW paid \$5,000 by cheque to the seller. On the same date, Mr. Huang provided a handwritten receipt to PHW acknowledging receipt of \$5,000 as a partial rent payment for the business for November 2014. The receipt also stated that PHW would pay the rest at a later date. This receipt was signed by Mr. Huang.
26. Neither party signed the Contract, Second Contract or the Sublease Agreement. Mr. Huang stated that when he asked PHW to sign the "official contract" he always received excuses.
27. PHW stated that on November 30, 2014, Mr. Huang came to the business and asked her to return the keys since the deal collapsed. She further stated that when she asked for her deposit to be returned, Mr. Huang told her that he only acted for the seller and the deposit was non-refundable.
28. Mr. Huang stated in his August 5, 2015 statement to the Council that in the last week of November, PHW informed him that she had changed her mind about the business and wanted her money returned.
29. Mr. Huang further stated that the seller told him to not release the funds and instead hired another manager and employees to operate the business.
30. Mr. Huang stated to Council staff, that because none of the parties signed any documents, he did not inform his brokerage about the transaction. Mr. Huang stated he submits deals to his brokerage "after all the signatures in place and all deposit been issued by bank draft".
31. Mr. Huang also stated that he understands that he "made some mistakes in this incident but never intend to fraud".
32. Mr. Huang has no prior discipline history with the Council.

**AGREED STATEMENT OF FACTS, PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

G. Proposed Acceptance of Findings and Waiver

1. Based on the Agreed Statement of Facts as outlined herein, and without making any admissions of liability, Pei Huang is prepared to accept the following findings if made against him by the Council's Consent Order Review Committee:
  - a) Pei Huang committed professional misconduct within the meaning of section 35(1)(a) of the RESA, while formerly licensed as a Representative with Regent Park Fairchild Realty Inc. and currently licensed with RE/MAX Metro Realty (the "Brokerages"), in relation to the sale of business assets including assignment of a lease, for a property located at [REDACTED] in Vancouver, when he:
    - i. provided real estate services other than on behalf of the Brokerages in relation to which he was licensed, contrary to section 7(3)(a) of the RESA;
    - ii. accepted remuneration in relation to real estate services from persons other than the Brokerages in relation to which he was licensed, contrary to section 7(3)(b) of the RESA;
    - iii. failed to promptly pay or deliver to the Brokerages all money held or received from, for or on behalf of a principal in relation to real estate services, contrary to section 27(1)(a) of the RESA;
    - iv. failed to obtain a written agreement signed by the principals to the contract and separate from the Contract, pursuant to which the principles agreed that sections 27(1) and 27(2) of the RESA did not apply, contrary to section 27(4) of the RESA;
    - v. failed to keep his managing brokers informed of the real estate services being provided and other activities being performed on behalf of the Brokerages, contrary to section 3-2(2)(a) of the Rules;
    - vi. provided rental property management services on behalf of the Property owner by making payments to third parties and accepting rent and issuing a receipt for the same, contrary to section 3(1)(a) of the RESA;
    - vii. failed to act in the best interests of his client(s) contrary to section 3-3(a) of the Rules;
    - viii. failed to act honestly and with reasonable care and skill contrary to section 3-4 of the Rules; and
    - ix. before providing trading services to or on behalf of the buyer, he failed to disclose to the buyer, the nature of the representation that he would provide the party, contrary to section 5-10 of the Rules.

**AGREED STATEMENT OF FACTS, PROPOSED ACCEPTANCE OF FINDINGS AND WAIVER**

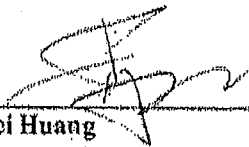
2. Mr. Huang hereby waives his right to appeal pursuant to section 54 of the RESA.
3. Mr. Huang acknowledges that he has a right to seek independent legal advice before signing this Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver.
4. Mr. Huang acknowledges and is aware that the Council will publish the Consent Order and penalty herein in its Report from Council newsletter, on the Council's website, and on CanLII, a website for legal research.
5. Mr. Huang acknowledges and is aware that the Superintendent of Real Estate has the right, pursuant to section 54 of the RESA, to appeal any decision of the Council, including this Agreed Statement of Facts, Proposed Acceptance of Findings, and Waiver and Consent Order.
6. The Agreed Statement of Facts and Proposed Acceptance of Findings contained herein are made for the sole purpose of resolving a complaint being considered by the Council and for that purpose only. Such agreed statement of facts and proposed acceptance of findings cannot be used in any other proceeding of any kind.



Sabinder Sheina, Legal Counsel  
Real Estate Council of British Columbia

As to Part F only (Agreed Statement of Facts)

Dated 12 day of January, 2016



Pei Huang

As to Parts A, B, C, D, E, F and G (proposed penalty, Agreed Statement of Facts, Proposed Acceptance of Findings and Waiver)

Dated 7 day of December, 2016