



Real Estate Council of Ontario

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**IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE  
*REAL ESTATE AND BUSINESS BROKERS ACT, 2002, S.O. 2002, c. 30, Sch. C***

**BETWEEN:**

**REAL ESTATE COUNCIL OF ONTARIO**

**- AND -**

**JIANQIU LIN (o/a RICHMOND LIN)**

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**DISCIPLINE DECISION AND REASONS FOR DECISION**

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Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

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**FINDINGS:** In violation of Sections 4, 5, 8, 21(1) and 38 (with respect to error and misrepresentation only) of the *REBBA 2002* Code of Ethics.

**ORDER:** Fine of \$15,000.00 payable to RECO on or before October 19, 2018.

Successful completion of the Ontario Real Estate Association “Real Property Law” course and provide RECO with confirmation of successful completion on or before October 19, 2018.

**WRITTEN REASONS:**

**REASONS FOR DECISION**

**INTRODUCTION**

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

**AGREED STATEMENT OF FACTS AND PENALTY**

1. Lin is and was, at the relevant time, registered as a salesperson under the Act and employed by Brokerage A.

2. On or about February 17, 2016, Registrant B listed for sale a residential property at 1-A Street, City A (the "Property") on the City A Real Estate Board's Multiple Listing Service<sup>®</sup> (the "Listing").
3. Registrant B is and was, at the relevant time, registered as a broker under the Act and employed by Brokerage B.
4. On the Listing, the Brokerage Remarks section stated "Pls See Sch C Attached Re Underground Oil Tank B4 Making An Offer."
5. On February 23, 2016, Lin submitted a first offer (the "First Offer") to purchase the Property on behalf of his client, Buyer A (the "Buyer").
6. The First Offer included the following relevant features:
  - a. The purchase price was \$1,350,000.00;
  - b. An inspection clause in Schedule A, providing that the agreement would become null and void if any major deficiencies were discovered and the seller was unable to remedy (the "Inspection Clause");
  - c. An acknowledgement that the Buyer understood the Property contained an underground oil tank and that the Buyer would be responsible for the maintenance, repair and removal of the tank, in Schedule C.
7. With respect to the oil tank, Lin advised the Buyer that she may either leave the tank on the Property or have it removed for approximately \$3,000.00-\$5,000.00. This was confirmed in Lin's response to RECO, where he stated:

My client consulted me about the cost to remove the underground tank when we prepared the offer. I googled "Toronto cost remove underground oil tank", and got "the costs to remove oil tank vary from \$3,000.00 to \$5000.00". I told my client the cost range. Then offer signed and accepted.
8. The First Offer was not accepted. Lin advised the Buyer to, among other things, increase the purchase price and to remove the Inspection Clause.

9. Based on Lin's advice, on February 23, 2016, Lin submitted a second offer (the "Second Offer") on behalf of the Buyer to purchase the Property. The Second Offer was for \$1,566,600.00 and did not include the Inspection Clause.
10. The Second Offer was accepted and the transaction successfully closed on April 5, 2016.
11. It was determined that the oil tank had to be removed from the Property because of the tank's age and there had been leakage of oil into the surrounding soil.
12. The Buyer spent approximately \$130,000.00 to remove the oil tank and to remediate the surrounding area.
13. Lin was honest and forthright in admitting responsibility for his conduct and was cooperative with the insurance claims process.
14. Lin failed to properly or adequately research the costs associated with removing the oil tank or in the alternative, failed to refer the Buyer to an expert for a professional opinion, thereby providing the Buyer with inaccurate and negligent advice respecting the removal of the oil tank, contrary to Sections 4, 5, 8, 21(1) and 38 (with respect to error and misrepresentation only) of the Code of Ethics under the Act.

#### AGREED PENALTY

JIANQIU LIN (o/a RICHMOND LIN), the Respondent, be ordered to pay a penalty of \$15,000.00 on or before October 19, 2018.

JIANQIU LIN (o/a RICHMOND LIN), the Respondent, be enrolled in the "Real Property Law" course offered by the Ontario Real Estate Association and provide RECO proof of successful completion of the course on or before October 19, 2018.

By initials below, I, JIANQIU LIN (o/a RICHMOND LIN), acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.

*[Respondent's Initials]*

By initials below, I, JIANQIU LIN (o/a RICHMOND LIN), agree, understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

*[Respondent's Initials]*

By initials below, I, JIANQIU LIN (o/a RICHMOND LIN), acknowledge that I exercised my right to be represented by Counsel or agent in this matter.

*[Respondent's Initials]*

By signature below, the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[The Agreed Statement was duly signed by the Parties.]

### **DECISION OF THE CHAIR**

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 4, 5, 8, 21(1) and 38 (with respect to error and misrepresentation only) of the *REBBA 2002* Code of Ethics. The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. JIANQIU LIN (o/a RICHMOND LIN) is Ordered a Fine of \$15,000.00 payable to RECO on or before October 19, 2018.
2. JIANQIU LIN (o/a RICHMOND LIN) is Ordered to successfully complete the Ontario Real Estate Association "Real Property Law" course and provide RECO with confirmation of successful completion on or before October 19, 2018.

*[Released: January 18, 2018]*