



Real Estate Council of Ontario

**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 -

FOZIA QAMAR

DISCIPLINE DECISION AND REASONS FOR DECISION

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:

FINDINGS: In violation of Sections 3, 37(1) 38, and 39 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$18,000.00 payable to RECO on or before July 20, 2020.

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. At all material times, Fozia Qamar (“Qamar”) was employed as a salesperson with Brokerage A.

2. Qamar was the owner of a property located at 1-A Street, City A (“Property”).
3. Qamar became the owner of the Property on June 30, 2015 after purchasing it from the estate of the previous owner.
4. Qamar undertook renovations of the home on the Property. These renovations included relocating some rooms and adding a washroom.

The Listings

5. The Property was the subject of a number of listings between September and November 2015.

The First Listing

6. The Property was listed for sale on September 4, 2015 with Brokerage A and Qamar was a listing salesperson.
7. The listing for the Property contained the following two statements:
 - a. *3 Self Contained Units with Brand New Appliances. Very Good for Investors or First Time Buyers. Rent Out Three Units For \$3,400.00 Monthly.*
 - b. *Go From The Backyard To View The 3rd Unit.*
8. The photographs accompanying the listing showed the three separate units.
9. This listing was terminated on September 14, 2015.

The Second Listing

10. The Property was again listed for sale by Brokerage A on September 16, 2015 with Qamar as a listing salesperson.
11. The second listing initially contained the same above statements regarding the existence of three (3) self-contained units and was accompanied by the same photographs.
12. The listing was edited on October 3, 2015 and, as part of those changes, the first statement was removed. The second statement remained as part of the listing.
13. This listing was terminated on October 23, 2015.

The Third Listing

14. The Property was listed a third time on October 24, 2015 by Brokerage B. The listing salesperson was Representative A, a salesperson employed with Brokerage B

15. The third listing contained the following statements about the Property:

2Br's Suite One Lower Level With Separate Entrance . . . Another Self Contained Bachelor Unit Completed W/Kitchenette + Closet & 3Pc Bath. Ideal for Extended Family Or Investors

16. The third listing was amended on October 28 as follows:

2Br's Suite One Lower Level With Separate Entrance . . . Another Self Contained Bachelor Unit Completed W/A Spice Kitchen + Closet & 3Pc Bath. Ideal for Extended Family Or Investors

17. In all instances, the third listing included the same photographs that accompanied the first and second listings.

Sale of the Property

18. At all material times, Representative B was a broker with Brokerage B.

19. On November 1, 2015, Representative B submitted an offer on behalf of Buyer A ("Buyer") to purchase the Property for \$630,000.00.

20. The Buyer understood that he was making an offer to purchase a property with three self-contained units. It was the Buyer's intention to live in one of the units and rent out the other two units.

21. To that end, Representative B including the following condition in the offer made by the Buyer:

The Seller represents and warrants that the addition bachelor unit was built with city permit and there no outstanding work orders or disputes over that said addition between the City and the sellers.

22. After some negotiation, the Buyer and Qamar entered into an Agreement of Purchase and Sale on November 2, 2015.

23. During the negotiations the condition regarding the bachelor unit was amended to read as follows:

The Seller represents and warrants that the addition referred to as spice unit was built with city permit and there no outstanding work orders or disputes over that said addition between the City and the sellers.

24. The addition in question was built with a city permit, but the “as built” condition did not conform with the approved drawings. As such, the building department required revisions to the approved drawings or that the “as built” condition be changed to conform with the approved drawings. Qamar knew of this issue at the time of executing the Agreement of Purchase and Sale.
25. Qamar completed a Registrant’s Disclosure of Interest form in relation to the sale, however the form is incomplete because it is not signed by the Buyer (as indicated on the form and as required by Section 32 of the Act).
26. Further, and in any event, Qamar did not disclose facts that affect or would affect the value of the Property in the space provided on the form, namely the facts in paragraph 24 above.
27. Closing of the sale occurred on December 2, 2015. On December 17, 2015, Qamar contacted the Buyer to arrange a meeting. At this meeting, Qamar provided the Buyer with a Building Permit Notice for the Property dated December 3, 2015.
28. Further investigation subsequently revealed the following:
 - a. In September 2015, Qamar applied for a building permit for revisions/renovations to the basement and ground floor of the Property. The revised drawings submitted as part of application *provide* for a self-contained third unit, whereas the approved drawings at the time provided for only two-self-contained units;
 - b. In or about November 10, 2015, Qamar submitted revised drawings to the City A to address changes requested by the City, relating to the third self-contained unit; and
 - c. Some time In November 2015, Qamar learned that City A would not approve a third self contained unit;
29. Once taking possession of the Property, the Buyer was required to address the lack of approvals for the third self-contained units, together with the fact that the other work carried out on the Property had not yet been subject to final inspection by the City A.

30. In addition, due to water damage that occurred at the Property in February 2016 (due to faulty plumbing work), the Buyer discovered several problems and defects relating to the renovation work carried out by Qamar. These included the following:
- a. the electrical panel was not approved by the ESA and had to be changed;
 - b. the opening between the house and rear addition was improperly constructed and unsafe;
 - c. the framing for the rear addition was improperly constructed and unsafe;
 - d. the wiring for the rear addition was improperly installed and unsafe;
 - e. a wall was constructed in a basement bedroom to conceal problems with the wall, including cracking, mould and loose, live electrical wiring;
 - f. floor joists were cut to accommodate piping for a powder room that was added on the ground level making the floor structure unsafe;
 - g. the moisture barrier under the laminate flooring in the basement was improperly installed;
 - h. construction of bathrooms was done improperly;
 - i. there were foundation cracks in the basement; and
 - j. there was mould found at various locations within the home.
31. Qamar knew or ought to have known about some of the identified defects and construction issues with the Property.
32. The Buyer has incurred significant costs to address these matters and was rebuffed in his efforts to deal directly with Qamar regarding financial compensation.

SUMMARY OF AGREEMENTS

It is agreed QAMAR breached the following Sections of the Code of Ethics:

33. By improperly and/or inaccurately completing the Registrant's Disclosure of Interest form in not disclosing facts that affected or would affect the value of the Property, Qamar breached sections 3, 37(1) and 38 of the Code of Ethics.

34. By warranting as to the status of the bachelor/spice kitchen unit in the Agreement of Purchase and Sale when she knew the statement was false, Qamar breached sections 3, 37(1) and 38 of the Code of Ethics.

35. Through her actions as set out in paragraphs 33 and 34, Qamar engaged in disgraceful, dishonourable, unprofessional and/or unbecoming conduct in violation of Section 39 of the Code of Ethics.

AGREED PENALTY

FOZIA QAMAR, the Respondent, be ordered to pay a penalty of \$18,000.00 on or before July 20, 2020.

By initials below, I, FOZIA QAMAR, 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, FOZIA QAMAR, 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, FOZIA QAMAR, acknowledge that I exercised my right to be represented by Counsel 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 3, 37 (1), 38 and

39 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. FOZIA QAMAR is Ordered a Fine of \$18,000.00 payable to RECO on or before July 20, 2020.

[Released: September 18, 2019]