

**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 -**

**QIANG FU**

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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 5 and 38 of the *REBBA 2002* Code of Ethics.

**ORDER:** Fine of \$ 4,000.00 payable to RECO no later than 120 days after the date of the Decision of the Discipline Committee on this matter.

**WRITTEN REASONS:**

**REASONS FOR DECISION**

**FU, Qiang**

**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**

It is agreed as follows:

1. Qiang Fu (“Fu”) is and was, at all relevant times, registered as a salesperson under the *Real Estate and Business Brokers Act, 2002* (“Act”) and employed by Brokerage A.

2. Representative A is and was, at all relevant times, registered as a salesperson under the Act.
3. On or about February 27, 2017, Representative A, representing Rafaella Sanchez (“Seller”), listed for sale a residential property located at 1-A Street, City A (“Property”).
4. The Listing stated that the Property included a fully finished basement apartment (“Apartment”). However, the Apartment had not been approved by the City A, and hence was not legal.
5. In or around February 2017, the Buyers retained Fu to assist them in purchasing an investment property for rental purposes.
6. Fu advised the Buyers that he had viewed the Property, that the Property could be fully leased, would generate good rent and had a tenant in the Apartment who could continue to live there after the Property was purchased.
7. On or about March 7, 2017, the Buyers entered into a firm agreement to purchase the Property. The transaction successfully closed on June 14, 2017 (“Closing”).
8. Prior to Closing, the Buyers raised concerns about the Apartment not being legal and complained that Fu did not advise them that the Apartment was not legal.
9. Fu’s position is that he orally informed the Buyers that the Apartment was not legal. He however acknowledged that he did not provide this advice in writing.
10. The Buyers threatened legal action against Fu for failing to advise them that the Apartment was not legal. In order to avoid legal costs and to ensure that the Buyers were satisfied with the service he provided, Fu paid the Buyers \$15,000.00 to resolve the matter.

#### SUMMARY OF AGREEMENTS

**It is agreed that Fu failed to comply with the Code of Ethics as follows:**

11. Knew that the Property did not contain a legal basement apartment, but failed to advise his clients, the Buyers, in writing that the Apartment was not legal, contrary to sections 5 and 38 of the Code of Ethics.

**It is agreed that Fu failed to comply with the following sections of the Code of Ethics:**

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services.

Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

AGREED PENALTY

QIANG FU, the Respondent, be ordered to pay a penalty of \$4,000.00 no later than 120 days after the date of the Decision of the Discipline Committee on this matter.

By initials below, I, QIANG FU, 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, QIANG FU, 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, QIANG FU, 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 5 and 38 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. QIANG FU is Ordered to Pay a Fine of \$4,000.00 payable to RECO not later than 120 days after the date of the Decision of the Discipline Committee on this matter.

*[Released: March 9, 2021]*