

**IN THE MATTER OF**  
The Registrar, *Trust in Real Estate Services Act, 2002*,  
S.O. 2002, Chapter 30, Schedule C, and Regulations,  
as amended (“Act”)

- and -

The Registration of **MONINDER KHUDAL** as a Broker under the Act

**NOTICE OF PROPOSAL TO REFUSE REGISTRATION**

**WHEREAS** Moninder Khudal (“**Khudal**”) is registered as a Broker under the Act;

**AND WHEREAS** Section 13 of the Act provides that the Registrar may **REFUSE** a registration if in the Registrar’s opinion a registrant is not entitled to registration under Section 10 of the Act;

**AND WHEREAS** Section 14 of the Act provides that where the Registrar proposes to **REFUSE** the registration, the Registrar shall serve notice of the proposal on the registrant;

**AND WHEREAS** in the Registrar’s opinion the registrant is not entitled to registration under Section 10 of the Act, and the Registrar proposes to **REFUSE** the said registration for the reasons that follow;

**A. REASONS**

1. Khudal is not entitled to registration pursuant to Section 10(1)(a)(i) of the Act because in the Registrar’s opinion, having regard to Khudal’s financial position, Khudal cannot reasonably be expected to be financially responsible in the conduct of business;

2. Khudal is not entitled to registration pursuant to Section 10(1)(a)(ii) of the Act because in the Registrar's opinion Khudal's past conduct affords reasonable grounds for belief that Khudal will not carry on business in accordance with law and with integrity and honesty;
3. Khudal is not entitled to registration pursuant to Section 10(1)(a)(iii) of the Act because in the Registrar's opinion Khudal has made a false statement in an application for registration.

## **B. PARTICULARS**

IT IS ALLEGED AS FOLLOWS:

4. Khudal has been registered with the Real Estate Council of Ontario ("RECO") since April 25, 2007.
5. Khudal became registered as a salesperson under the Act on April 25, 2007.
6. Khudal became registered as a broker under the Act on April 28, 2009.
7. Homexperts Real Estate Inc. became registered as a brokerage under the Act ("Homexperts") on June 25, 2009. Khudal and Broker A ("Broker A") were listed as the shareholders of Homexperts.
8. Khudal became registered as the broker of record of Homexperts on June 25, 2009.
9. Khudal became the sole shareholder of Homexperts on April 5, 2019
10. On February 13, 2026, a corporate search of Homexperts confirmed Khudal as the sole director of Homexperts beginning on May 5, 2009. Khudal is identified as the active director of Homexperts.
11. On or about January 2019, Khudal was a personal guarantor for a mortgage of \$11,500,000.00 granted to Diam Danforth Property Inc. ("Diam Danforth"). Khudal was a Director of Diam Danforth.
12. On May 4, 2020, Diam Danforth went into receivership.
13. On or about June 24, 2020, a civil proceeding was commenced in Toronto, Ontario by 192 plaintiffs against Khudal as court file number CV-20-00642957 ("Claim 957"). Claim 957 also named several corporations of which Khudal is the sole director and majority

shareholder including Homexperts, Diam Fox Hill Property Inc (“Diam Fox”), 2335779 Ontario Inc. and Syrm Land Development Corporation (Syrm).

14. The plaintiffs for Claim 957 included individuals who were asked by Khudal and other defendants to invest funds in a multitude of vehicles, including loan agreements, share purchase agreements/subscription agreements, registered investments, and real estate purchases.
15. On September 17, 2020, as a result of Claim 957, an Order for a *Mareva* injunction (the “Mareva Injunction”) was issued to freeze Khudal’s assets, including the Real Estate Trust Account, the Commission Trust Account and other business accounts of Homexperts.
16. On September 20, 2020, as a result of Claim 957, an Endorsement for the Mareva Injunction was issued, in which the Court made several findings with respect to Khudal and Broker A
  - a) They raised tens of millions of dollars from trusting community members with no compliance with rudimentary “know your client” and suitability assessment compliance;
  - b) They did not account for money received and moved;
  - c) The Plaintiffs were very likely to succeed against all of the named Khudal defendants for debt, mortgage fraud, securities fraud, oppression, conspiracy, knowing receipt and knowing assistance, and whatever causes of action may apply to knowingly perpetrating a Ponzi scheme against your own community for personal enrichment.
17. On October 7, 2020, Khudal advised RECO that Homexperts was involved in litigation and the court had frozen its bank accounts, including the Real Estate Trust Account and the Commission Trust Account.
18. On November 10, 2020, Syrm and Diam Fox, two corporations controlled by Khudal as an officer and/or director filed for bankruptcy.
19. On January 29, 2021, RECO conducted an execution search on Khudal. The execution search disclosed a judgment against Khudal in the amount of \$175,000 resulting from Claim 957.

20. On March 18, 2022, after RECO became aware of the litigation and judgment, the Registrar proposed conditions of registration for Khudal (the “Conditions of Registration”).
21. The Conditions of Registration were as follows:
- a) Agree to voluntarily terminate the registration of the brokerage Homexperts Real Estate Inc., and provide RECO with a completed *Notice of Brokerage Termination* along with the supporting documentation as required under section 35 of the regulation 567/05 immediately upon signing these Conditions:
    - i. Agree to provide RECO with real estate trust reconciliation reports for the brokerage each month, until such time as the pending trades have been properly administered and the real estate trust account is closed. The completed reconciliations shall include the trust liability report and a copy of the monthly bank statement for the real estate trust account and the commission account and any other documents as may be requested by this office.
    - ii. Agree not to apply to be an officer, director, partner, shareholder, broker of record, or sole proprietor of a real estate brokerage registered under the Act.
    - iii. Agree not to have direct or indirect ownership interest in any real estate brokerage registered under the Act.
    - iv. Agree not to have signing authority or be designated as an alternate signatory on any statutory trust account established pursuant to section 27 of the Act for any real estate brokerage registered under the Act.
  - b) Agree to notify RECO immediately, in writing, of the full particulars of any changes to the status of the civil matter, Court File CV-20-00642957-0000, currently pending before the Court.
    - i. Agree to notify RECO immediately in writing, if a settlement is reached between the parties or a decision is reached by the Court and shall provide the full particulars of the outcome, along with a copy of the Court Decision

with Reasons for Decision, and any other documents requested by this office in verification of the outcome.

- ii. Agree to provide RECO with a status update on the pending court matter with each application for registration, renewal, or reinstatement under the Act.
- c) Agree to notify RECO immediately in writing, of any outstanding debts or judgments issued against me or any corporation that I am an officer, director, or majority shareholder of, or partnership that I am partner of, and shall provide RECO with a copy of any judgments and current statement from the creditor.
- d) Agree to provide RECO, at my own expense, with each application for registration, renewal or reinstatement under the Act, a then current Ontario Writs Locator search completed under my name or any alias names, and to include a Writ Details Report for any judgments included in the report.
- e) Agree to provide a copy of these Conditions to any broker of record, which I am, or may become employed, and will ensure that a copy of these Conditions is duly signed by my new broker of record;
  - i. Agree to notify RECO, in writing, within 5 days of transferring my registration to another brokerage and shall provide RECO with a copy of the said broker of record's acknowledgement of having received a copy of these conditions.
- f) Acknowledge that my continued entitlement to registration will be reviewed following the outcome of the civil matter currently before the courts.
- g) Acknowledge and understand that if new or additional information comes to the attention of RECO related to my honesty, integrity, financial responsibility or compliance with law, or if I breach any of these conditions, the Registrar may take further administrative action, including issuing a proposal to revoke my registration, based on the totality of the evidence of my past conduct. Nothing in these Conditions shall prejudice or limit the Registrar's rights under the Act.

- h) Acknowledge that I have read and understood these Conditions and have obtained or have had the opportunity to obtain independent legal advice with respect to my consent to the Conditions set out herein.
22. On March 28, 2022, Khudal signed and sent to RECO a Notice of Brokerage Termination for Homexperts. Khudal also signed and submitted the Conditions of Registration, but the version submitted was not properly witnessed.
23. On June 30, 2022, Khudal signed the Conditions of Registration which were properly witnessed.
24. Under the Conditions of Registration, Khudal agreed to voluntarily terminate the registration of Homexperts while retaining his licence as a broker employee. On or about July 4, 2022, Khudal transferred his registration to the brokerage, Goldstone Real Estate Inc.
25. Khudal had been licensed as a broker with the Financial Services Regulatory Authority of Ontario ("FSRA") between July 7, 2008, and March 31, 2020.
26. Khudal was designated as the principal broker of Financial Ties Ltd. ("Financial Ties") since it became licensed as a mortgage administrator under FSRA on October 6, 2010, until it surrendered its mortgage administrator licence on May 2, 2011.
27. Financial Ties became licensed as a mortgage brokerage under FSRA on April 22, 2008.
28. On April 20, 2022, FSRA issued a Notice of Proposal to:
- a) Revoke the licence of Financial Ties a mortgage brokerage owned by Khudal and where Khudal was the principal broker, for:
- i. Failure to ensure suitable investments: Financial Ties failed to take reasonable steps to ensure investments in mortgages presented to lenders or investors were suitable, contrary to subsection 24(1) of O. Reg 188/08,; and
- ii. Inaccurate recordkeeping: Financial Ties failed to maintain complete and accurate records, contrary to subsection 46(1) of O. Reg. 188/08.

b) Impose administrative monetary penalties in the total amount of \$15,000 on Financial Ties as follows:

- i. \$10,000 for failing to take reasonable steps to ensure that investments in a mortgage it presented for the consideration of a lender or investor were suitable for the lender or investor, contrary to subsection 24(1) of O. Reg. 188/08 under the *Mortgage Brokerages, Lenders and Administrators Act*, 2006 (the “Act”); and,
- ii. \$5,000 for failing to maintain complete and accurate records, contrary to subsection 46(1) of O. Reg. 188/08 under the Act.

b) Impose administrative monetary penalties in the total amount of \$10,000 on Khudal as follows:

- i. \$5,000.00 for, as principal broker, failing to take reasonable steps to ensure that Financial Ties, brokers, and agents complied with the requirements under the Act, contrary to subsection 2(1) of O. Reg. 410/07 under the Act; and,
- ii. \$5,000.00 for counselling agents of Financial Ties to give or assist in giving false or deceptive information when carrying out the business of dealing in mortgages in Ontario, contrary to subsection 43(2) of the Act.

29. On July 19, 2022, FSRA issued an Order to revoke the mortgage brokerage license of Financial Ties.

30. On July 19, 2022, FSRA issued an Order to impose the above-noted penalties on Khudal and Financial Ties.

31. On April 8, 2023, Khudal filed an application to renew his registration as a broker under the Act (the “2023 RECO Renewal Application”).

32. In the 2023 RECO Renewal Application, Khudal failed to disclose his history with FSRA and the FSRA proceedings pursuant to the Conditions of Registration

33. Khudal responded “no” to Questions 1, 2, 3, 4 and 5 and 6 of the 2023 Renewal Application.

34. After being informed of the discrepancies in the 2023 RECO Renewal Application, Khudal provided an amendment (the “Amended 2023 RECO Renewal Application”) which advised as follows:

- a) Question 2 – Are you a partner, officer, director or shareholder in any other business? Yes – listed approximately 22 companies.
- b) Question 3 – Have you ever been involved in personal bankruptcy or insolvency proceedings, filed a consumer proposal or been an officer/director of a corporation declared bankrupt/insolvent? Yes.
- c) Question 4 – Do you have any unpaid judgments or outstanding debts against you? No – although Khudal had a \$175,000.00 judgment against him resulting from Claim 957, and outstanding administrative penalties totalling \$25,000 owed to FSRA.
- d) Question 5 – Have you had a license of any kind suspended, refused, revoked, or cancelled? No – despite Khudal having his Brokerage’s licence revoked by FSRA
- e) Question 6 – Are there any charges pending or have you been convicted of an offence under the law? Or are you an officer of a corporation to which there are any charges pending or have been found guilty or been convicted of an offence under any law? No – despite being found guilty of two offences under the Mortgage Brokerages, Lenders and Administrators Act, 2006, with total fines of \$10,000.00 (Khudal), and \$15,000 (Financial Ties).

35. As of November 12, 2025, the administrative monetary penalties owed by Financial Ties and Khudal to FSRA have not been paid.

#### **Section 10(1)(a)(i) - Financial Responsibility**

36. Khudal cannot reasonably be expected to be financially responsible in the conduct of business through a pattern of financial mismanagement, history of insolvencies, large debts, and failure to meet regulatory financial requirements including the non-payment of fines levied by FSRA.

37. The bankruptcy of several corporations under Khudal's control, along with a personal guarantee on a substantial mortgage, raises concerns about poor financial management and risky business practices.
38. On January 16, 2019, a letter from a solicitor confirmed that Khudal personally guaranteed a \$11,500,000 mortgage for Diam Danforth Property Inc., where he was the Director.
39. Diam Danforth went into receivership on May 4, 2020.
40. On November 10, 2020, two other corporations controlled by Khudal, Syrm and Diam Fox, filed for bankruptcy.
41. Additionally, a RECO execution search on January 29, 2021, revealed a \$175,000 judgment against Khudal as a result of Claim 957.

**Section 10(1)(a)(ii) - not in accordance with law and with integrity and honesty**

42. As described above, Khudal has a documented history of failing to comply with legal and regulatory requirements, resulting in penalties imposed by FSRA and registration conditions imposed by RECO.
43. Khudal was penalized by FSRA for his role in failing to ensure adherence to the law, including being found to have counselled agents to provide false or misleading information.
44. On April 20, 2022, FSRA issued a Notice of Proposal to revoke the licence of Financial Ties and imposed two significant administrative penalties on Financial Ties and Khudal.
45. The freezing of Khudal's assets by the court, following concerns about the potential transfer of assets raises serious questions regarding financial conduct.
46. Over 192 individuals were involved in claims against Khudal in Claim 957 where they obtained a substantial judgment against him.
47. These situations collectively highlight a pattern of misconduct, fraudulent and unsavoury practices and attempts to evade accountability.

### **Section 10(1)(a)(iii) – False statements**

48. Despite the ongoing regulatory actions, Khudal has provided inconsistent and incorrect information on his application forms to RECO.
49. As particularized above, Khudal has failed to disclose critical information about his involvement in bankruptcies and FSRA's imposed penalties and revocation of Financial Ties's licence, raising concerns about transparency and adherence to disclosure requirements.

### **C. RIGHT TO A HEARING**

Take notice that Section 14 of the Act provides that a registrant is entitled to a hearing by the Licence Appeal Tribunal (the "Tribunal") in respect of a proposal by the Registrar to refuse registration if WITHIN 15 DAYS after service of this notice (deemed to be on the third day after mailing by registered mail) that the Registrar proposes to refuse the registration, the Registrant mails or delivers notice in writing that a hearing is required to the following parties:

The Registrar  
Licence Appeal Tribunal  
15 Grosvenor Street, Ground Floor  
Toronto, Ontario M7A 2G6

**AND TO:** The Registrar  
Real Estate Council of Ontario  
1400-3300 Bloor St. W, West Tower  
Toronto, ON M8X 2X2

Section 14(4) of the Act provides that where the **Applicant/Registrant** does not require a hearing by the Tribunal the Registrar may carry out the proposal and that any person who, while not registered, trades in real estate is, subject to exceptions enumerated in the Act, in contravention of the Act and is liable to prosecution.

Section 14(5) of the Act provides that where a registrant requires a hearing by the Tribunal, the Tribunal shall appoint a time for and hold the hearing and may by order direct the Registrar to carry out the Registrar's proposal, or may substitute its opinion for that of the Registrar and the Tribunal may attach conditions to its order or to a registration.

If a registrant requires a hearing regarding this proposal and further wishes to be represented by a lawyer or agent at the hearing, it is strongly advised that the registrant make these arrangements as soon as possible. The Registrar reserves the right to oppose any request by the registrant for an adjournment of the hearing in order for the registrant to make such arrangements.

#### **D. NOTICE OF MOTION FOR COSTS**

If a hearing is requested as described in Section C and, at any time during the course of proceedings arising from this request, the Registrar believes the registrant has acted unreasonably, frivolously, vexatiously or in bad faith, the Registrar will make a request for an award of costs from the Tribunal, such costs to be paid by the registrant.

#### **E. APPLICATION OF THE STATUTORY POWERS PROCEDURE ACT**

The Statutory Powers Procedure Act, R.S.O. 1990, Chapter S.22 as amended ("SPPA") applies to the Tribunal. Section 8 of the SPPA provides as follows:

8. Where the good character, propriety of conduct or competence of a party is an issue in a proceeding, the party is entitled to be furnished prior to the hearing with reasonable information of any allegations with respect thereto.

If a hearing is held as required by the Registrant, the Registrar states that the good character, propriety of conduct or competence of the registrant shall be an issue in the hearing and the Registrar has provided herein reasonable information of allegations with respect thereto.

#### **F. FURTHER PARTICULARS/SUPPLEMENTAL NOTICE**

The registrant may be sent further or other particulars in respect of any matter herein or in respect of any other matter including further grounds for **REVOCATION** of registration.

Glen Thomas, Registrar (Interim)  
*Trust in Real Estate Services Act, 2002*

Date: March 19, 2026