

IN THE MATTER OF

The Registrar, *Trust in Real Estate Services Act, 2002*, S.O. 2002, Chapter 30,
Schedule C, as amended (the “**Act**”)

- and -

The Registration of **ANGELA BETTIOL** as a Salesperson under the Act

NOTICE OF PROPOSAL TO REVOKE REGISTRATION

WHEREAS Angela Bettiol (“**Bettiol**”) is registered as a salesperson under the Act;

AND WHEREAS Section 13 of the Act provides that the Registrar may revoke 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 revoke the registration, the Registrar shall serve notice of the proposal on the registrant;

AND WHEREAS in the Registrar’s opinion, Bettiol is not entitled to registration under Section 10 of the Act, and as such the Registrar proposes to revoke Bettiol’s registration for the reasons that follow.

A. REASONS

1. Bettiol is not entitled to registration on the following grounds:

- a) pursuant to Section 10(1)(a)(iii) of the Act because Bettiol has made false statements in an application for renewal of registration;

- b) pursuant to Section 10(1)(a)(ii) of the Act because, in the Registrar's opinion, Bettiol's past conduct, and/or the past conduct of an interested person in respect of Bettiol (namely Mariman Homes), affords reasonable grounds for belief that she will not carry on business in accordance with law and with integrity and honesty;
- c) pursuant to section 10(1)(a)(i) of the Act, because, having regard to Bettiol's financial position or the financial position of an interested person in respect of Bettiol (namely Mariman Homes), she cannot reasonably be expected to be financially responsible in the conduct of business; and
- d) pursuant to Section 10(1)(g) of the Act because, in the Registrar's opinion, Bettiol's continuing registration would be contrary to the public interest.

B. PARTICULARS

IT IS ALLEGED AS FOLLOWS:

- 2. Bettiol is registered as a salesperson with Bridgecan Realty Corporation. She was first registered with the Real Estate Council of Ontario ("**RECO**") in August 2004.

Mariman Homes and HRCA Regulatory Issues

- 3. Bettiol, along with her husband (Michael), is a Director of Mariman Homes ("**Mariman**") – which is/was in the business of selling pre-construction homes in several subdivision projects.
- 4. Bettiol is/was the sole shareholder of Mariman.
- 5. Mariman was licensed with the Home Construction Regulatory Authority ("**HRCA**"). The HRCA regulates new home builders and vendors in Ontario and acts under and pursuant to the *New Home Construction Licensing Act, 2017*.
- 6. As a result of an investigation carried out by the HRCA, it was determined that Mariman had entered into sale agreements for approximately 108 new homes without having proper authorization to do so. In fact, Mariman had only been permitted to build and sell approximately 7 homes.

7. The HRCA further determined that deposit funds received by Mariman were not being held in trust as required under the terms of the relevant sale agreements and that, in fact, deposit funds had been wrongly spent by Mariman - purportedly to finance the construction of other homes.
8. The amount of misappropriated/misused trust funds as of March 2023 was approximately \$14,000,000.
9. On or about May 10, 2023, the HRCA issued a Notice of Proposal to Refuse to Renew Mariman's license. That NOP was appealed by the company;
10. As part of a resolution to the appeal, the HRCA and Mariman entered into an agreement which resulted in the immediate suspension of Mariman's license as of December 5, 2023, but with Mariman being allowed to continue to operate as needed to facilitate the completion of the 108 homes (the "**Resolution Agreement**").
11. On January 17, 2024, Mariman was petitioned into receivership by one of its lenders.
12. Ultimately, Mariman failed to satisfy the terms of the Resolution Agreement and its licence with the HRCA was revoked as of July 31, 2024, pursuant to the terms of the Resolution Agreement;
13. In addition, on July 31, 2024, the HRCA issued an Administrative Penalty Order ("**AMP**") against Mariman in the amount of \$400,000 for breaches of the HRCA's Code of Ethics.
14. The payment schedule required under the AMP has not been complied with by Mariman and no funds have been paid to date.

Failure to Notify

15. Under the Act, Registrants have a statutory obligation to notify the Registrar within five (5) days about any changes to information that was included in an application for registration.¹
16. Bettiol failed to notify the Registrar of changed circumstances in numerous instances, including not notifying the Registrar of:

¹ See section 28 of the Act.

- a) the fact that Mariman had unpaid, and/or overdue debts;
- b) the Notice of Proposal to Refuse to Renew the license of Mariman that was issued by the HRCA;
- c) the existence of outstanding debts and judgments in relation to Mariman;
- d) the service and filing of an application by creditors to have Mariman placed into receivership pursuant to the *Bankruptcy and Insolvency Act*;
- e) the commencement of bankruptcy proceedings in respect of Mariman;
- f) the entering into of the Resolution Agreement with the HRCA which resulted in a suspension of Mariman's license;
- g) the placement of Mariman into receivership in or around January 17, 2024) by court;
- h) the revocation of Mariman's license by the HRCA; and
- i) the imposition of the AMP on Mariman by the HRCA.

False Statements

17. Bettiol has made false statements in applications she has made to RECO to renew her registration under the Act.

2024 Application for Renewal

18. Bettiol filed an application for renewal of registration on or about August 12, 2024.
19. Bettiol made the following false statements in providing responses to disclosure questions asked as part of the renewal application:
- a) In respect of Questions 3 and 4 of the application (which are questions relating to the existence of any bankruptcy proceedings), Bettiol did not disclose the receivership of Mariman, which was a corporation for which she was/had been an officer, director and sole shareholder; and

- b) In respect of Question 5 (which is a question about professional licensure sanctions), Bettiol answered “No” despite Mariman being a corporation for which she was/had been an officer, director and sole shareholder that had its license suspended and revoked.

2022 Application for Renewal

- 20. Bettiol filed an application for renewal of registration on or about August 11, 2022;
- 21. In response to disclosure question 4 of the application (which is a question about the existence of any unpaid judgments or debts), Bettiol answered “No”.
- 22. This was a false statement as Mariman (a corporation for which Bettiol was/had been and officer, director and sole shareholder) did in fact have outstanding debts and judgments at that time.

Breach of Obligations as a Registrant

- 23. In her conduct as a registrant, and in selling homes constructed by, or to be constructed by Mariman, Bettiol engaged in conduct that was contrary to her obligations as a registrant, and harmful and/or misleading towards consumers.
- 24. This conduct, which was either carried out personally by Bettiol and/or through Mariman, includes:
 - a) selling properties that she knew were not registered with Tarion (the Ontario new home warranty program) and which were required to be registered;
 - b) selling properties that were claimed to be part of registered and/or approved subdivision plan when, in fact, there was no such plan or approval; and
 - c) entering into agreements of purchase and sale using a standard form document in which the provisions around ‘in trust’ deposit payments had been altered with “white out” and without providing any notice of such a change to purchasers.

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 revoke registration if **WITHIN 15 DAYS** after service of this Notice of Proposal (deemed to be on the third day after mailing by registered mail), the registrant mails or delivers notice in writing to the following parties that a hearing is required:

TO: The Registrar
Licence Appeal Tribunal
15 Grosvenor St., Ground Floor
Toronto, ON 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 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.

February 7, 2025

Joseph Richer, Registrar
Trust in Real Estate Services Act, 2002

Date