



Real Estate Council of Ontario

Case Summary: Johnny Cheng

Forum	Ontario Court of Justice
Decision	Convicted on two counts of contravening REBBA, sentenced to pay \$10,000 restitution to a consumer and two years' probation.
Date of Decision	August 8, 2018

Summary

The convictions stemmed from a false mutual release that Mr. Cheng prepared, signed and submitted on behalf of his buyer client without his client's knowledge, consent or direction.

A \$10,000 deposit that was provided by Mr. Cheng's client was being held in trust by the listing brokerage. Mr. Cheng prepared the mutual release for the transaction when it did not close. The mutual release directed that \$6,000 be paid to the sellers and \$4,000 be paid directly to Mr. Cheng.

Mr. Cheng prepared the mutual release, signed it on behalf of his client and submitted it to the listing brokerage. This was all done without the client's knowledge, direction or consent. The listing brokerage thereafter disbursed the deposit according to the terms of the mutual release. Mr. Cheng did not provide the \$4,000 he received to his client.

Mr. Cheng's actions breached sections 34 and 35 of REBBA. Mr. Cheng was convicted on two counts of contravening REBBA, was sentenced to two years of probation and was ordered to pay restitution of \$10,000 to his client.

Additional information on the Registrant can be found in the [Public Registry](#).