Financial Services Tribunal

Citation: *Rimpy Hothi and Rimpy Hothi Personal Real Estate Corp v Superintendent of Real Estate*, 2026 BCFST 5

File No.: 2026-RSA-26-A001

Decision Date: 2026-10-01

Method of Hearing: Conducted by way of written submissions

Decision Type: Preliminary Decision

Panel: James P. Carwana, Panel Chair

Appealed Under: Section 54 of the *Real Estate Services Act*, SBC 2004, c 42

Between:

Rimpy Hothi and Rimpy Hothi Personal Real Estate Corporation

Appellants

And:

Superintendent of Real Estate

Respondent

Appearing on Behalf of the Parties:

For the Appellants: Jeff Scouten

For the Respondent: Simon Adams and Amandeep Sandhu

DECISION ON INTERIM STAY APPLICATION

[1] The Appellants, Ms. Hothi Rimpy and Hothi Rimpy Personal Real Estate Corporation, have applied for a stay (the "Main Stay Application") as well as an interim stay (the "Interim Stay Application") of the September 4, 2026 Order in Urgent Circumstances made against them (the "September 4, 2026 Order") by a delegate of the Superintendent of Real Estate (the "Respondent"). This decision relates to the Interim Stay Application.

[2] On the Interim Stay Application, this tribunal (the Financial Services Tribunal or "FST") has the application dated and received on September 21, 2026, as well as a response submission from counsel for the Respondent dated and received September 24, 2026, and a reply submission from counsel for the Appellants dated September 28, 2026 and received September 29, 2026. The FST has received a further letter from counsel for the Appellants dated September 29, 2026 with an attached unsworn affidavit of Michael Josef Hofer, who is a Managing Broker of the brokerage through which the Appellant, Ms. Hothi, practices. Subsequently, the FST received an email from counsel for the Respondent submitting that the new affidavit evidence should be excluded for the purposes of the Interim Stay Application and that if the Appellants wish to rely on the Affidavit, it can be advanced on the Main Stay Application, where the Respondent will then have the opportunity to respond through affidavit evidence (if necessary) and submissions.

[3] Under section 242.2(10)(a)(i) of the *Financial Institutions Act*, RSBC 1996, c 141 (the "*FIA*"), the FST member hearing an appeal has the discretion to stay the decision under appeal for any length of time, with or without conditions.

[4] I recognize that decisions of the Superintendent of Real Estate take effect from pronouncement and are to be treated as correct unless and until an appellate body holds otherwise, and to stay an authoritative order, otherwise in effect and to be accepted as correct and binding, is a serious matter. The Respondent has cited *Manitoba (AG) v Metropolitan Stores Ltd*, [1987] 1 SCR 110, 1987 CanLII 79 (SCC), where the Supreme Court of Canda at paragraph 27 and following discussed "the principles which govern the granting of a stay of proceedings while the constitutionality of a legislative provision is challenged in court", and the Respondent notes that this test is essentially equivalent to the test for an injunction given in *RJR – MacDonald Inc v Canada (Attorney General)*, [1994] 1 SCR 311, 1994 CanLII 117 (SCC) ("*RJR-MacDonald*"). In that respect, the FST has indicated that a stay applicant typically needs to satisfy the requirements set out in *RJR-MacDonald* (see *Xing v. Insurance Council of British Columbia*, 2019 BCFST 5). However, recognizing the urgency involved in the present circumstances with the Interim Stay Application, I have decided not to engage in the analysis that I anticipate will be applied to the Main Stay Application with the benefit of more fulsome submissions.

[5] I have instead considered the Interim Stay Application by balancing the harm that may be suffered by the Appellants if the Interim Stay Application is not granted, against any risk to the public if the Interim Stay Application is granted. While I am setting a

relatively short timeline for the exchange of submissions on the Main Stay Application, I recognize that a decision on the Main Stay Application could take several weeks to issue.

[6] In the meantime, according to the Appellants, the impact of the September 4, 2026 Order has been immediate and devasting. Prior to the September 4, 2026 Order, Ms. Hothi and her team of five agents had been carrying on an active practice and the economic and business interests of the Appellants, and others involved with her real estate business, would be harmed significantly by the continuing suspension of her licence. These include the loss of clients, both existing and prospective clients, as well as damage to her reputation, which threaten to destroy Ms. Hothi's career and professional reputation altogether, without discipline proceedings ever having been brought against her.

[7] In terms of meeting the concerns of the Respondent, the Appellants proposed conditions in relation to the granting of an interim stay in their September 21, 2026 submission. These conditions are:

a) advance review by a managing broker of all contracts, addenda, subject removal documents and other material transaction documents involving the Appellants;

b) the Appellants agreeing not to act in any transaction involving an unrepresented buyer;

c) the Appellants agreeing not to act in any transaction involving a family member or related party without advance written disclosure to, and approval from, the managing broker;

d) any other reasonable conditions that the FST considers necessary to protect the public interest pending determination of the appeal.

[8] In addition, the Appellants indicated in their September 21, 2026 submission that the managing broker of the brokerage where Ms. Hothi practices, Mr. Michael Hofer, has agreed to assume supervisory and reporting responsibilities of the Appellants under a program of enhanced supervision, should one be required as a condition of a stay.

[9] The Respondent says the public interest outweighs the Appellants' interest and that the September 4, 2026 Order was made to protect the public interest. The Respondent further says an interim stay would create unnecessary uncertainty and disruption in the event that the Main Stay Application is unsuccessful and would be contrary to the orderly administration of the licensing regime. The Respondent argues that the FST cannot safely rely on counsel's assertions about the proposed conditions relating to enhanced supervision and that enhanced supervision would not adequately protect the public. In that regard, the Respondent says the Appellants have not filed an affidavit from the managing broker about such matters or addressed various matters in the proposed conditions including proposed reporting requirements; or provisions for audits, file reviews, escalation, or non-compliance.

[10] On balance, I find that the balance of convenience at this point in the proceedings is in favour of granting the Interim Stay Application. I accept that the Appellants were unaware that the process which resulted in her immediate licence suspension was underway, and that the consequences of the September 4, 2026 Order have been devastating to the Appellants, as well as those they do business with, and that such consequences are ongoing. I further accept that these consequences include the threat of destroying Ms. Hothi's career and professional reputation altogether, without discipline proceedings ever having been brought against her.

[11] With regard to the public interest, I find that the conditions put forward by the Appellants in their initial submission will ensure the public interest has adequate protection for the period of the interim stay. In that regard, I find I can rely on the assertions of counsel on this Interim Stay Application without the necessity of filing an affidavit, and in order to deal with the Interim Stay Application on an expedited basis, I will not rely the unsworn affidavit of Mr. Hofer but will rely on the parties' submissions about the conditions as previously noted in this decision. In that regard, if the Appellants wish to rely on such affidavit evidence, it can be advanced on the Main Stay Application, where the Respondent will have the opportunity to respond through their own affidavit evidence (if necessary) and submissions.

DECISION

[12] In all the circumstances, therefore, I am granting an interim stay of the September 4, 2026 Order on conditions set out below.

[13] The conditions which will be put in place for the period of the interim stay are:

a) the Appellants are to have all contracts, addenda, subject removal documents and other material transaction documents on matters involving the Appellants reviewed in advance and on an ongoing basis by a managing broker of the brokerage through which Ms. Hothi practices;

b) the Appellants are not to act in any transaction involving an unrepresented buyer;

c) the Appellants are not to act in any transaction involving a family member or related party without advance written disclosure to, and approval from, a managing broker of the brokerage through which Ms. Hothi practices;

d) the managing broker of the brokerage where Ms. Hothi practices, Mr. Michael Hofer, agrees to assume enhanced supervisory and reporting responsibilities of the Appellants to ensure the above conditions are being met by conducting regular file reviews and audits to ensure they are met, by meeting regularly with Ms. Hothi and members of her team as necessary to ensure compliance, and by agreeing to report any failure to meet the conditions to the Respondent.

[14] In making this interim stay order I grant the Respondent liberty to, at any time, make an application the FST under section 242.2(10)(a)(ii) of the *FIA* to lift this interim stay order, should the Respondent feel it is appropriate and in the public interest to do so.

MAIN STAY APLLICATION SUBMISSION SCHEDULE

[15] I note that this interim stay is being granted in some part due to the relatively short time anticipated for completion of the submissions on the Main Stay Application. In that regard, I am setting the schedule for the submissions on the Main Stay Application as follows:

- The Appellants are to provide their written submissions on the Main Stay Application by Friday, October 9, 2026 at 4:30 pm;
- The Respondent is to provide their written submissions in response to the Main Stay Application by Monday, October 19, 2026 at 4:30 pm;
- The Appellants are to provide their written submissions in reply by Friday, October 23, 2026 at 4:30 pm.

"James P. Carwana"

James P. Carwana, Panel Chair
Financial Services Tribunal