

## **S/N 13/2016 – Misrepresentation on Co-Broke Arrangement, Forgery of Signatures and Failure to Record Exact Agreement on Tenancy Agreement**

### **Facts of Case**

In or around end November 2013, the Respondent came to know that tenants were moving out of the flat because his residence was in the same building. He then contacted the landlord's wife to enquire if she was interested in leasing out the property. As she was represented by another salesperson, Ms J, she asked the Respondent to liaise with Ms J in relation to the lease.

On hearing this, the Respondent verbally represented to the landlord's wife that he was a salesperson, and that he could not co-broke with Ms J as he had a prior arrangement to co-broke with another salesperson. Hence, the landlord's wife decided to engage the Respondent. The Respondent then said he had a potential tenant.

Shortly after, the Respondent met the landlord's wife and produced the Letter of Intent for the lease of the flat at a monthly rent of \$4,200, and a Co-Broking Agreement. The Co-Broking Agreement was purportedly the form of Ms V's estate agent, and the agreement stated the particulars of the landlord and potential tenant, and had the signatures of the Respondent and another salesperson, Ms V. In sum, the effect of the Co-Broking Agreement was that it led the landlord's wife to believe that the Respondent was co-broking with Ms V.

The landlord and tenant subsequently engaged in further discussions on the monthly rent, and the parties eventually agreed on a monthly rent of \$4,250 for a 24-month lease.

On or around 3 December 2013, the Respondent presented two identical copies of the draft Tenancy Agreement. Even though the duration of the Tenancy Agreement should last 24 months, i.e. from 19 December 2013 to 18 December 2015, the Tenancy Agreement stated at Clause 1 that "*The Landlord agrees... TO HOLD unto the Tenant for a term Twenty Four (24) months commencing on the 19<sup>th</sup> December 2013 to **18<sup>th</sup> November 2015**...*".

Clause 1 was amended on the landlord's copy of the Tenancy Agreement to correctly read "19 December 2013 to 18 December 2015", but the same clause was not amended on the tenant's copy of the Tenancy Agreement.

Further, in the landlord's copy of the Tenancy Agreement, the Respondent had signed off as the "Witness" for the "Tenant", and Ms V had purportedly signed off as the "Witness" for the "Landlord". However, in the tenant's copy of the Tenancy Agreement, the Respondent had signed off as the "Witness" for both parties.

The landlord's wife subsequently discovered that the Respondent's representation that he was co-broking with Ms V was untrue, and that he had forged Ms V's signature on the Co-Broking Agreement and landlord's copy of the Tenancy Agreement.

It was also alleged that the Respondent had sent an SMS to the tenant to suggest to him to lie on the number of occupants of the flat, if the landlord were to question him.

## **Charges**

The Respondent faced the following five charges:

### **Charge 1**

For doing a misleading act that may bring discredit or disrepute to the estate agency industry by misrepresenting to the landlord's wife that he was co-broking with another salesperson, when in fact he was not in any co-broking arrangement with another salesperson, when the landlord's wife had requested him to liaise with her existing representative, Ms J, in contravention of paragraph 7(1) read with paragraph 7(2)(a) of the Code of Ethics and Professional Client Care ("**Code**").

### **Charge 2**

For doing an act that may bring discredit or disrepute to the estate agency industry, by forging the signature of another alleged salesperson, Ms V, on a Co-Broke Agreement, which had the logo of Ms V's estate agent, in order to support his claim that he was co-broking with another salesperson, in contravention of paragraph 7(1) of the Code.

### **Charge 3**

For failing to ensure that an agreement concerning financial obligations and commitments in respect of the lease of the flat recorded the exact agreement between the landlord and the tenant of the flat, by failing to ensure that the tenant's copy of the Tenancy Agreement recorded the exact agreement between the landlord and the tenant, as the duration of the Tenancy Agreement at Clause 1 of the tenant's copy was wrongly stated as follows: "*The Landlord agrees... TO HOLD unto the Tenant for a term Twenty Four (24) months commencing on the 19<sup>th</sup> December 2013 to 18<sup>th</sup> November 2015...*", in contravention of paragraph 9(1) of the Code.

#### **Charge 4**

For doing an act that may bring discredit or disrepute to the estate agency industry, by forging the signature of another alleged salesperson, Ms V, on the landlord's copy of the Tenancy Agreement, in order to support his claim that he was co-broking with another salesperson, in contravention of paragraph 7(1) of the Code.

#### **Charge 5**

For doing an act that may bring discredit or disrepute to the estate agency industry, by sending an SMS to the tenant to encourage him to lie to the landlord on the number of occupants in the flat, in contravention of paragraph 7(1) of the Code.

#### **Outcome**

Following a trial, the Disciplinary Committee found that the Respondent was guilty of Charges 1 to 4 and acquitted the Respondent of Charge 5. The Disciplinary Committee imposed the following financial penalties and disciplinary orders on the Respondent:

**Charge 1:** A financial penalty of \$2,000 and a suspension of 6 months.

**Charge 2:** A financial penalty of \$2,000 and a suspension of 6 months.

**Charge 3:** A financial penalty of \$500.

**Charge 4:** A financial penalty of \$2,000 and a suspension of 6 months.

The suspensions for Charge 1, Charge 3 and Charge 4 were ordered to run concurrently. Fixed costs of \$1,000 was imposed on the Respondent.