



Home Construction Regulatory Authority  
40 Sheppard Avenue West, Fourth Floor, Suite 400  
Toronto, ON M2N 6K9  
Tel: 416-487-HCRA (4272) Fax: 416-352-7724

September 9, 2021

Delivered by email to: [bobby@ballantryhomes.com](mailto:bobby@ballantryhomes.com), [dhill@ballantryhomes.com](mailto:dhill@ballantryhomes.com),  
[shaji@idealdevelopments.com](mailto:shaji@idealdevelopments.com)

To: Ideal Developments Inc.  
65 Allstate Pkwy, Suite 101  
Markham, ON L3R 9X1

And to: Ideal (BC) Developments Inc.  
20 Cachet Woods Court, Suite 6  
Markham, ON L6C 3G1

And to: Ideal (MM) Developments Inc.  
65 Allstate Pkwy, Suite 101  
Markham, ON L3R 9X1

And to: Ideal (WC) Developments Inc.  
65 Allstate Pkwy, Suite 101  
Markham, ON L3R 9X1

Attention: Bobby Bhoola, David Hill, and Shajiraj Nadarajalingam

**Re: NOTICE OF PROPOSAL TO REFUSE TO GRANT AND RENEW LICENCE AND TO IMPOSE CONDITIONS ON LICENCE**

**The Registrar proposes to refuse to grant a licence to Ideal (BC) Developments Inc. under section 40(1)(a) of the *New Home Construction Licensing Act, 2017* (“NHCLA”).<sup>1</sup>**

**The Registrar proposes to refuse to renew the licences of Ideal (MM) Developments Inc. and Ideal (WC) Developments Inc. under section 40(1)(a) of the NHCLA.**

**The Registrar proposes to approve the renewal of Ideal Developments Inc. with a condition under section 40(3) of the NHCLA; namely, Ideal Developments Inc. will not carry on building or vending of homes except to complete the building of the**

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<sup>1</sup> *New Home Construction Licensing Act, 2017*, SO 2017, c 33, Sched 1, available online here: [www.ontario.ca/laws/statute/17n33#BK44](http://www.ontario.ca/laws/statute/17n33#BK44)

home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.

The reasons for the proposal are attached as Appendix "A".

**Right to a Hearing**

If you dispute this decision, you have the right to request a hearing before the Licence Appeal Tribunal ("Tribunal") about this proposal.

To request a hearing, you must deliver a Notice of Appeal form within 15 calendar days after this Notice of Proposal is delivered to you, addressed to the following:

Licence Appeal Tribunal  
PO Box 250  
Toronto, ON M7A 1N3  
LATregistrar@ontario.ca  
Phone: 416-326-1356  
Toll free: 1-888-444-0240  
TTY: Call the Bell Relay Service at 1-800-855-0511

AND

The Registrar  
Home Construction Regulatory Authority  
40 Sheppard Ave West, 4th Floor, Suite 400  
Toronto, ON M2N 6K9  
Legal@hcraontario.ca

**IMPORTANT NOTE: This is a notice of proposed action. If you choose not to dispute this decision, the licences of Ideal (BC) Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. will be refused without any further advance notice to you.**

**Furthermore, the Registrar will apply the condition set out above to the licence of Ideal Developments Inc. without any further advance notice to you.**

**If the licences of Ideal (BC) Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. are refused, they will be prohibited from acting or holding themselves out as vendors or builders, offering to sell or transfer a new home, selling or transferring a new home, offering to construct a new home, or constructing a new home.**

**If the condition is applied to Ideal Developments Inc., it will be licensed under the NHCLA but will be required to comply with the condition.**

The Notice of Appeal form and other information about hearings may be found on the Tribunal's website at <https://slasto-tsapno.gov.on.ca/lat-tamp/en/>.

When an applicant delivers a Notice of Appeal form within the timeline set out above, a legal proceeding before the Tribunal will commence. The Tribunal may direct the Registrar to carry out the proposal or may substitute its opinion. The Tribunal may also attach conditions to its order or to a licence.

The HCRA cannot advise you about the appeal process. If you dispute this decision, you have the right to retain a lawyer or paralegal to represent you.

Information about this proposal will be reported publicly on the HCRA website <https://www.hcraontario.ca/> and the Ontario Builder Directory <https://obd.hcraontario.ca/>.

### **Contact Information**

If you have any questions about the reasons for the proposal or wish to discuss this matter with the HCRA, please contact [Legal@hcraontario.ca](mailto:Legal@hcraontario.ca). If you have any questions about the appeal process or timelines, please contact the Tribunal at the contact information noted above.

Dated at Toronto this 9<sup>th</sup> day of September, 2021.



Wendy Moir Acheson  
Registrar, HCRA

## Appendix “A”

### REASONS

#### Overview

1. Ideal (BC) Developments Inc. (“Ideal (BC)”) has applied for a new licence as a vendor/builder under the NHCLA. Ideal (BC) has never been licensed under the NHCLA.
2. Ideal Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. are licensed as vendor/builders under the NHCLA and have applied for renewal of their licences.
3. Ideal (JS) Developments Inc. (“Ideal (JS)”) was, prior to the expiry of its licence on July 8, 2021, licensed as vendor/builder under the NHCLA. Prior to February 1, 2021, Ideal (JS) was registered as a vendor/builder under the Ontario New Home Warranties Plan Act (“ONHWPA”).
4. Hereafter, Ideal Developments Inc., Ideal (BC), Ideal (JS), Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc., are collectively referred to as “Ideal” except where specifically referenced otherwise.
5. Shajiraj Nadarajalingam (“Nadarajalingam”) is and was at all relevant times, a common officer, director, and interested person, in Ideal. He is and was at all relevant times, a common shareholder in Ideal, with a 100 percent share interest in each of Ideal Developments Inc., Ideal (JS), Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. He is and was at all relevant times, a shareholder with a 50 percent share interest in Ideal (BC).
6. Bobby Bhoola (“Bhoola”) and David Hill (“Hill”) are and were at all relevant times, officers, directors and interested persons in Ideal (BC). Bhoola and Hill are and were at all relevant times, shareholders in Ideal (BC), each with a 25 percent share interest.
7. Under section 40(1)(a) of the NHCLA, the Registrar proposes to refuse to grant a licence to Ideal (BC) and proposes to refuse to renew the licences of Ideal (MM) Developments Inc. and Ideal (WC) Developments Inc.
8. Ideal Developments Inc. has begun construction of a home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.
9. Under section 40(3) of the NHCLA, the Registrar proposes to approve the renewal of Ideal Developments Inc. with the condition that Ideal Developments Inc. will not carry on building or vending of homes except to complete the building of the home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.

## **The HCRA**

10. The HCRA regulates new home vendors and builders in accordance with the NHCLA and with the principle of promoting the protection of the public interest.
11. Part of the HCRA's oversight function includes considering concerns raised about applicants and licensees, and taking appropriate action to protect the public as authorized by the NHCLA.

## **Grounds for the Proposal**

12. Under section 38(1)(c)(i) of the NHCLA, Ideal (BC) has carried on or is carrying on activities that are in contravention of the NHCLA; namely, holding itself out as a builder and vendor, and offering to build and entering into agreements of purchase and sale for new homes without a licence under the NHCLA, contrary to section 37 of the NHCLA.
13. Under section 38(1)(c)(ii) of the NHCLA, and section 4.1. of Regulation 631/20 to the NHCLA, Ideal (BC) will be carrying on activities that are in contravention of sections 10.2(2) and (4) of the ONHWPA if a licence was issued to Ideal (BC); namely, offering to commence constructing or constructing new homes without first having applied to enrol the homes in the Ontario New Home Warranties and Protection Plan ("Warranties Plan").
14. Under section 38(1)(c)(i) of the NHCLA, Ideal (BC) has carried on activities in contravention of the NHCLA; namely, failing to comply with a search warrant and failing to produce information or evidence or provide assistance to an investigator, contrary to section 61(2)(c) of the NHCLA.
15. Under section 38(1)(b)(iii) of the NHCLA, the conduct of Bhoola, Hill, and Nadarajalingam as officers, directors and interested persons in respect of Ideal does not afford reasonable grounds for belief that Ideal's business will be carried on in accordance with the law, and with integrity and honesty; namely, by permitting Ideal (BC) to carry on activities that are in contravention of the NHCLA, as described in paragraphs 12 and 13.
16. Under section 38(1)(b)(iii) of the NHCLA, the conduct of Nadarajalingam as an officer, director and interested person in respect of Ideal does not afford reasonable grounds for belief that Ideal's business will be carried on in accordance with the law, and with integrity and honesty; namely, by permitting Ideal (JS) to misrepresent to consumers information about agreements of purchase and sale.
17. Under section 38(1)(g) of the NHCLA, granting a licence to Ideal (BC) and a renewal to Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc., is contrary to the public interest.

## **Particulars**

### **Entering into agreements of purchase and sale without a licence**

18. Contrary to section 37(1) of the NHCLA, Ideal (BC) did not obtain a licence from the Registrar before to entering into the following 10 agreements of purchase and sale for new homes:
- a. September 9, 2020, POTL number 14 located at 14 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - b. November 26, 2020, POTL 45, 12 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - c. November 27, 2020, POTL 31, 8 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - d. December 20, 2020, POTL 29, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - e. December 21, 2020, POTL 26, 8 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - f. December 28, 2020, POTL 27, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - g. January 14, 2021, POTL 19, 8 Bostwick Crescent, Richmond Hill for \$1,249,990.00
  - h. January 15, 2021, POTL 21, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - i. January 27, 2021, POTL 23, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - j. December 5, 2021, POTL 30, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00.
19. Ideal (BC) did not apply under the ONHWPA to enrol the homes identified in paragraph 18 in the Warranties Plan.

### **Failure to provide information or assistance to an investigator**

20. Under section 61(10) of the NHCLA, and in accordance with section 61(2)(c) of the NHCLA, where an investigator requires a person to produce information or evidence under a search warrant, the person shall produce the information or evidence. On June 9, 2021, a search warrant was issued authorizing an HCRA investigator to enter the premises of Ideal (BC) located at 20 Cachet Woods Court, Suite #6, Richmond Hill, ON ("Ideal BC Office") and to obtain the documents identified the warrant. On June 9, 2021, the investigator advised Nadarajalingam about the search warrant, described the documents that were required to be provided under the search warrant,

and requested assistance obtaining the documents required to be provided under the search warrant.

21. On June 14, 2021, the investigator attended the Ideal BC Office to execute the search warrant. Nadarajalingam provided documents on a USB key, which he advised contained all the documents required to be provided under the search warrant. Nadarajalingam did not provide all of the documents required under the search warrant; namely, two agreements of purchase and sale for the homes located at, POTL number 14 located at 14 Bostwick Crescent and POTL 30, located at 8 Bostwick Crescent, Richmond Hill.

### **Misrepresentations made to consumers by Ideal (JS)**

22. Between September 2015 and September 2020, inclusive, Ideal (JS) entered into approximately 71 agreements of purchase and sale with respect to properties described legally as:

PART LOTS B&C, PLAN 1916 DESIGNATED AS PART 3, PLAN 65R-37587; SUBJECT TO AN EASEMENT AS IN YR2622073; SUBJECT TO AN EASEMENT AS IN YR2644669; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2817498.

AND

BLOCK 1, PLAN 65M4637; SUBJECT TO AN EASEMENT AS IN YR2622073; SUBJECT TO AN EASEMENT AS IN YR2644669; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2817498. (“the Properties”).

23. Before the agreements of purchase and sale in respect of the Properties were completed, on August 24, 2020, Nadarajalingam authorized the transfer of title to the Properties from Ideal (JS) to 2011836 Ontario Corp. (the “Transferee”). Thereafter, between August 2020 and February 2021, inclusive, Ideal (JS) continued to represent itself, falsely, to purchasers as the vendor/builder and titleholder of the Properties, able to transfer title to the Properties in accordance with the agreements of purchase and sale, contrary to section 54 of the NHCLA.
24. On September 9, 2020, Ideal (JS) entered into a new agreement of purchase and sale with respect to one of the Properties, POTL 16. Ideal (JS) falsely represented to the purchaser that it was the vendor/builder and titleholder of that Property, able to transfer title to that Property in accordance with the agreement of purchase and sale, contrary to section 54 of the NHCLA.
25. After transferring title to the Properties to the Transferee on August 24, 2020, Ideal (JS) advertised incentives and offered discounted purchase prices if purchasers paid specific deposit amounts in respect of the Properties still for sale.
26. In February 2021, Ideal (JS) corresponded with consumers advising that title to the Properties had been transferred and that the agreements of purchase and sale in respect of the Properties would be assumed by the Transferee. Ideal (JS) did not disclose to consumers that the Transferee claimed the right to cancel the agreements

of purchase and sale in respect of the Properties, contrary to section 54 of the NHCLA.

### **Conclusion**

27. For the reasons stated above, and further to the mandate of the HCRA under section 3(3) of the NHCLA to maintain a fair, safe and informed marketplace and promote the protection of the public interest, the Registrar maintains that Ideal is not entitled to be licenced under the NHCLA. The reasons for this position include, without limitation to the above:
- a. The conduct of Bhoola, Hill, and Nadarajalingam as officers, directors and interested persons in respect of Ideal; namely, by permitting Ideal (BC) to carry on activities that are in contravention of the NHCLA
  - b. The conduct of Nadarajalingam as an officer, director and interested person in respect of Ideal; namely, by permitting Ideal (JS) to misrepresent to consumers information about agreements of purchase and sale.

### **Amended or Additional Reasons or Particulars**

28. The Registrar may serve Ideal with amended or additional reasons or particulars of conduct or financial position.



## Appendix “B”

### RELEVANT STATUTORY PROVISIONS

#### Conditions of licence

- 39** A licence is subject to the conditions,
- (a) to which the applicant or licensee consents;
  - (b) that the registrar applies under subsection 40 (3), (4) or (6);
  - (c) that the Tribunal orders; or
  - (d) that are prescribed.

#### Registrar’s powers with hearing

- 40** (1) Subject to section 43, the registrar may refuse to license an applicant or renew the licence of a licensee if,
- (a) in the registrar’s opinion, the applicant or licensee is not entitled to a licence under subsection 38 (1); or [...]

#### Conditions

- (3) Subject to section 43, the registrar may,
- (a) approve the licence or the renewal of a licence on the conditions that the registrar considers appropriate; and
  - (b) at any time, apply to a licence the conditions that the registrar considers appropriate. [...]

#### Voluntary cancellation

- 41** The registrar may cancel a licence upon the request in writing of the licensee and section 43 does not apply to the cancellation. [...]

#### Notice of conditions or proposal

- 43** (1) The registrar shall notify an applicant or licensee in writing if the registrar proposes to,
- (a) refuse, under subsection 40 (1), to grant or renew a licence;
  - (b) suspend or revoke a licence under subsection 40 (2) or 45 (1);
  - (c) apply conditions to a licence under subsection 40 (3) to which the licensee has not consented; or
  - (d) apply conditions to a licence under subsection 40 (4) or (6).

#### Content of notice

- (2) The notice shall set out the reasons for the registrar’s proposed action and shall state that the applicant or licensee is entitled to a hearing by the Tribunal if the applicant or licensee mails or delivers, within 15 days after service of the notice, a written request for a hearing to the registrar and to the Tribunal.

### **Service of notice**

(3) The notice shall be served on the applicant or licensee in accordance with section 81.

### **Service of hearing request**

(4) A request for a hearing under subsection (2) is sufficiently served if it is sent to the registrar and to the Tribunal by personal delivery, by registered mail or in accordance with the rules of the Tribunal.

### **Same**

(5) If service is made by registered mail, it shall be deemed to be made on the third day after the day of mailing.

### **Other methods**

(6) Despite subsection (4), the Tribunal may order any other method of service.

### **If no request for hearing**

(7) If the applicant or licensee does not request a hearing in accordance with subsection (2), the registrar may carry out the proposed action.

### **Hearing**

(8) If the applicant or licensee requests a hearing in accordance with subsection (2), the Tribunal shall hold the hearing and may, by order,  
(a) direct the registrar to carry out the registrar's proposed action; or  
(b) substitute its opinion for that of the registrar.

### **Powers of Tribunal**

(9) In addition to its powers under subsection (8), the Tribunal may attach conditions to its order or to a licence.

### **Parties**

(10) The registrar, the applicant or licensee and the other persons that the Tribunal specifies are parties to the proceedings under this section. [...]

### **Misrepresentations prohibited**

**54** No licensee shall make a false, misleading or deceptive representation in its advertising, documents or other prescribed materials.

## **Service**

**81** (1) Any notice, order or request is sufficiently given or served if it is,

- (a) delivered personally;
- (b) sent by registered mail; or
- (c) sent by another manner if the sender can prove receipt of the notice, order or request.

## **Deemed service**

(2) If service is made by registered mail, the service shall be deemed to be made on the third day after the day of mailing unless the person on whom service is being made establishes that the person did not, acting in good faith, through absence, accident, illness or other cause beyond the person's control, receive the notice, order or request until a later date.

## **Exception**

(3) Despite subsections (1) and (2), the Tribunal may order any other method of service it considers appropriate in the circumstances.