

Ontario's new home regulator charges Markham developer with allegedly illegal home sales

The new home regulator laid the charges amid an ongoing Star investigation into Ideal Developments' CEO Shajiraj Nadarajalingam, or Shaji Nada for short, which found the developer has sold more than 600 pre-construction condo units or townhouses across the GTA that have ended up cancelled, more than it's built over the last decade.

By [Sheila Wang](#) Reporter
Wed., Aug. 4, 2021 timer3 min. read
updateArticle was updated Aug. 05, 2021

The Home Construction Regulatory Authority (HCRA) has charged a Markham-based developer with allegedly illegal home sales, the first such action taken by Ontario's new home regulator since it began operations in February.

The company Ideal BC Developments Inc. was charged Wednesday with 10 counts of alleged illegal vending as the HCRA alleges the developer had entered into sales agreements for a pre-construction townhouse development in Oak Ridges without a licence.

The developer is also charged with one count of allegedly failing to produce evidence during a search warrant.

The new home regulator laid the charges amid an ongoing Star investigation into Ideal Developments' CEO Shajiraj Nadarajalingam, or Shaji Nada for short, which found the developer has sold more than 600 pre-construction condo units or townhouses across the GTA that have ended up cancelled, more than it's built over the last decade.

Nada did not respond to requests for comment before publication.

In a prior Star article, he had said his aim has been to build homes to serve the demands of the fast-growing suburbs, but he has run up against unexpected roadblocks.

The charges against Ideal BC are a result of a months-long investigation that began with a number of complaints filed to the HCRA against the company in April, HCRA CEO and registrar Wendy Acheson said.

Ideal BC is one of the companies under Nada's Markham-based Ideal Group, a multimillion-dollar conglomerate involved not just in development but also venture capital and global entertainment.

Another company under the Ideal Group has recently cancelled a 96-unit townhouse and condominium project Modern Manors in Richmond Hill, which has tossed buyers back into a feverish housing market after waiting for as long as six years.

"It is ironic that media and purchasers had to shake the agencies to do their job," Marjan Asmani said.

Asmani is one of the homebuyers who bought into Modern Manors by Ideal Developments in 2015, a project which ended up being cancelled this April.

Torstar first reported on Ideal in March when Modern Manors' buyers found the homes they signed agreements on were being resold by another developer.

SKIP ADVERTISEMENT

Asmani said she filed a complaint to HCRA about Ideal but found the agency not helpful.

Acheson said she was glad that the purchasers made the complaints.

"It was the right thing to do to come to the HCRA. It does take time to initiate and continue with an investigation. There has to be due process of course," Acheson said.

She said she could not disclose any ongoing investigation when asked if any other Ideal companies are being probed.

Nada and several Ideal companies have been pursued in court since 2019 by homebuyers and lenders who allege he has done them wrong, including two ongoing lawsuits filed by buyers who accuse him of fraud, which Nada denies.

The developer also denies an allegation of diverting funds from three foreign buyers for his personal use in a lawsuit filed this month.

RELATED STORIES

Inside the busted dreams and court fights surrounding a Markham developer with ties to more cancellations than builds

Jul. 21, 2021

Last month, Nada told the Star that Tarion — an Ontario agency that provides warranties for new homeowners — initially permitted Ideal BC to sell and/or construct up to 10 units in Boss Luxury after the company provided a \$500,000 letter of credit security, a condition of registration that Tarion said it had later rescinded.

At that time, HCRA told the Star that Ideal BC was not permitted to sell or build in Boss Luxury without a licence, but offered no details.

Nada said Ideal BC has set up a relationship with a construction management company that is in the process of getting a licence from HCRA. He said sales are expected to resume later this year, the Star reported.

Acheson also acknowledged consumer frustration over lack of transparency, noting that the HCRA has begun addressing the concerns.

Starting Aug. 4., the public can now view charges laid against any builders or vendors on the [Ontario Builder Directory](#) on the HCRA's website.

Previously, only conviction records were publicly available on the site, Acheson said.

“If I can give Ontario homebuyers one piece of advice it is to check the Ontario Builder Directory to make sure your builder is licensed. You know, when they're buying houses, there are four important criteria — location, location, location and builder,” she said.