



Real Estate Council of Ontario

---

**IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE  
REAL ESTATE AND BUSINESS BROKERS ACT, 2002, S.O. 2002, c. 30, Sch. C**

**BETWEEN:**

**REAL ESTATE COUNCIL OF ONTARIO**

**- AND -**

**VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE)**

---

**DISCIPLINE DECISION AND REASONS FOR DECISION**

---

Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

---

**FINDINGS:** In violation of Section 2(1) in respect of Section 26(1) and Sections 3, 4, 5, 24(4), 37(1), 38 and 39 of the *REBBA 2002* Code of Ethics

**ORDER:** Fine of \$7,500.00 payable to RECO on or before June 8, 2018.

**WRITTEN REASONS:**

**REASONS FOR DECISION**

**INTRODUCTION**

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

**AGREED STATEMENT OF FACTS AND PENALTY**

1. Palse is and was, at all material times, registered as a salesperson under the Act. He is and was, at all material times, employed by Brokerage A.
2. On January 14, 2016, Palse listed for sale (the "Listing") the residential property located at 1-A Street, in City A (the "Property") on the MLS<sup>®</sup> for the list price of \$439,999.00 on behalf of his seller clients (the "Sellers").

3. The Listing informed potential buyers and/or buyer representatives that offers would be reviewed on Sunday, January 17, 2016 at 7:00 p.m. (the "Offer Review Time").
4. Palse failed to obtain written directions from the Sellers respecting the conveyance of offers given that the Listing indicated that there was an Offer Review Time, contrary to sections 3, 4, 24(4) and 38 in respect of error and misrepresentation, of the Code of Ethics under the Act (the "Code of Ethics").
5. On January 15, 2016 at 4:20 p.m., Palse received an offer to purchase the Property from Representative A, salesperson under the Act, on behalf of his buyer clients. On the same day, Palse informed Representative A that the Sellers had reviewed the offer, but had decided to wait until more offers were received.
6. On January 16, 2016 at 2:01 p.m., Palse received an offer (the "Offer") to purchase the Property from Representative B, on behalf of his buyer clients:
  - a) The purchase price was \$470,000.00;
  - b) It was irrevocable until 4:00 p.m., on January 16, 2016; and
  - c) It was subject to the buyers arranging satisfactory financing within two business days of the offer being accepted.
7. The Offer was accepted at 3:45 p.m., on January 16, 2016.
8. Palse failed to inform Representative A of the Offer, contrary to sections 3, 4, 5, 38 and 2(1) in relation to section 26(1) of the Code of Ethics.
9. Palse failed to update the Listing respecting the Offer Review Time given that the Sellers had begun to consider offers, contrary to sections 3 and 38 in respect of error and misrepresentation, of the Code of Ethics.
10. Palse failed to inform potential buyers and/or buyer representatives who had viewed the Property and/or who had expressed an interest in the Property that the Sellers were going to consider the Offer before the Offer Review Time, contrary to sections 3 and 38 in respect of error and misrepresentation, of the Code of Ethics.
11. Palse failed to update the Listing, as soon as practicable, to notify potential buyers and/or buyer representatives that the Property had been sold conditionally, contrary to sections 3 and 38 of the Code of Ethics. In fact, Palse only updated the Listing on January 19, 2016, at 10:35 a.m.
12. Palse failed to notify potential buyers and/or buyer representatives who had viewing appointments for the Property and/or viewed the Property after the Offer was accepted that the Property had been sold conditionally, contrary to sections 3 and 38 in respect of error and misrepresentation of the Code of Ethics.

### Representative C Viewing

13. On January 17, 2016 from 3:00 p.m. to 4:00 p.m., Representative C, broker under the Act, showed the Property to his buyer clients.
14. Palse only informed Representative C that the Property had been sold conditionally when Representative C contacted Palse about submitting an offer after Representative C's clients had viewed the Property, contrary to sections 3 and 38 in respect of error and misrepresentation, of the Code of Ethics.

### The Four Other Offers

15. After the Offer was accepted, Palse received four other offers (the "Four Offers") to purchase the Property: one on January 16, 2016 and three on January 17, 2016.
16. Palse failed to notify the relevant salespersons and/or brokers who submitted the Four Offers of the number of competing offers contrary to section 2(1) in relation to section 26(1) and section 3 of the Code of Ethics.
17. Palse failed to notify the relevant salespersons and/or brokers who submitted the Four Offers that the Property had been sold conditionally prior to them submitting their respective offers, contrary to sections 3 and 38 of the Code of Ethics.

### Representative D Offer

18. On January 17, 2016 from 4:30 p.m. to 5:00 p.m., Representative D, salesperson under the Act, showed the Property to her buyer clients.
19. On January 17, 2016 at 7:35 p.m., Representative D submitted an offer to purchase the Property to Palse on behalf of her clients for \$470,000.00. Palse immediately responded to Representative D stating that the offer was declined because of a late closing date, low deposit and lengthy conditional period.
20. On January 17, 2016 at 8:04 p.m., Representative D informed Palse that her clients would be willing to increase the deposit, bring forward the closing date and reduce the conditional period to two days.
21. On January 17, 2016 at 8:07 p.m., Palse informed Representative D that the Property had been sold conditionally and that "everyone gets one chance only" to make an offer.
22. Palse misled Representative D into believing that her clients' offer was seriously considered and that there was an opportunity to negotiate, given that he knew that the

Property had sold conditionally, contrary to sections 3, 4, 38 in respect of error and misrepresentation, and 39 of the Code of Ethics.

23. Palse received a commission of \$6,755.00 (exclusive of HST) from the transaction. Palse took responsibility for his actions and to further educate himself to ensure future compliance with the Code of Ethics

#### AGREED PENALTY

VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE), the Respondent, be ordered to pay a penalty of \$7,500.00 on or before June 8, 2018.

By initials below, I, VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE), acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.

*[Respondent's Initials]*

By initials below, I, VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE), agree, understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

*[Respondent's Initials]*

By initials below, I, VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE), acknowledge that I was aware of my right to be represented by Counsel or agent in this matter.

*[Respondent's Initials]*

By signature below, the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[The Agreed Statement was duly signed by the Parties.]

#### **DECISION OF THE CHAIR**

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 2(1) in respect of section 26(1) and sections 3, 4, 5, 24(4), 37(1), 38 and 39 of the *REBBA 2002* Code of Ethics. The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. VAIBHAV VIDYADHAR PALSE (also known as YASH PALSE) is Ordered a Fine of \$7,500.00 payable to RECO on or before June 8, 2018.

*[Released: January 3, 2018]*