



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 -

LAURA LYNN COLLIGAN

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 Sections 3, 17, 25 and 26 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$5,000.00 payable to RECO on or before December 31, 2020.

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

It is agreed as follows:

1. Laura Colligan ("Colligan") is registered as a salesperson under the Real Estate and Business Brokers Act, 2002 ("Act").

2. Colligan is employed as a salesperson by Brokerage A.
3. Broker A was, at all relevant times, employed as Broker of Record by Brokerage B and represented the buyer, ("Buyer A").
4. The Seller held power of attorney for Individual A, who was the owner of the property known municipally as 1-A Street, City A (the "Property").
5. On January 31, 2018, the Seller signed a Listing Agreement with Colligan on behalf of Brokerage A's to list the Property for sale at \$2,495,000.00.
6. The Listing Agreement indicated that the Seller agreed to pay a total commission of 4.0% of the sale of the price of the Property.
7. On February 6, 2018, at 3:05 p.m., Broker A submitted an offer for the Property on behalf of Buyer A in the amount of \$2,400,000.00. The offer was irrevocable until 10:00 p.m. of February 6, 2018.
8. On February 6, 2018, Colligan submitted an offer to purchase the Property on behalf of Buyer B in the amount of \$2,680,000.00, irrevocable until 9:00 p.m. on February 6, 2018.
9. The offer to purchase the Property submitted by Colligan on behalf of Buyer B was accepted.
10. On February 6, 2018, the Seller and Buyer B signed a handwritten document wherein they agreed that the total commission payable would be \$95,000.00 plus HST. The total commission payable prior to this agreement was 4.0% which equals \$107,200.00 of the sale price.
11. On February 7, 2018, the Seller signed an Amendment to the Listing Agreement to reflect the change in the amount of commission payable to Brokerage A.
12. Although Buyer A's representative indicated theirs was a final offer, Colligan remained obligated to comply with the Code of Ethics and inform Buyer A:
 - a) that she was representing a prospective buyer, Buyer B;
 - b) the number of offers submitted to the Seller; and

- c) that she entered into an agreement to reduce her commission in order to complete the sale to the Seller.

SUMMARY OF AGREEMENTS

It is agreed that COLLIGAN failed to comply with the Code of Ethics as follows:

13. Colligan failed to inform all the competing buyers that she represented the Seller and Buyer B contrary to sections 3 and 17 of the Code of Ethics.
14. Colligan failed to inform all the competing buyers that she agreed to reduce her commission from \$107,200.00, which is 4.0% of the sale price, to \$95,000.00 plus HST, contrary to sections 3 and 25 of the Code of Ethics.
15. Colligan failed to inform all the competing buyers of the number of competing offers made toward the purchase of the Property contrary to section 3 and 26 of the Code of Ethics

It is agreed that COLLIGAN failed to comply with the following sections of the Code of Ethics:

Fairness, honesty, etc.

3. A registrant shall treat every person the registrant deals with in the course of a trade in real estate fairly, honestly and with integrity.

Nature of relationship

17. If a registrant represents or provides services to more than one buyer or seller in respect of the same trade in real estate, the registrant shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all buyers and sellers involved in that trade of the nature of the registrant's relationship to each buyer and seller.

Agreements relating to commission

25. (1) If a brokerage has a seller as a client and an agreement between the brokerage and the seller contains terms that relate to a commission or other remuneration and that may affect whether an offer to buy is accepted, the brokerage shall disclose the existence of and the details of those terms to any

person who makes a written offer to buy, at the earliest practicable opportunity and before any offer is accepted.

(2) Subsection (1) applies, with necessary modifications, to a brokerage that has a seller as a customer, if the brokerage and the seller have an agreement that provides for the brokerage to receive written offers to buy.

Competing offers

26. (1) If a brokerage that has a seller as a client receives a competing written offer, the brokerage shall disclose the number of competing written offers to every person who is making one of the competing offers, but shall not disclose the substance of the competing offers.

(2) Subsection (1) applies, with necessary modifications, to a brokerage that has a seller as a customer, if the brokerage and the seller have an agreement that provides for the brokerage to receive written offers to buy.

AGREED PENALTY

LAURA LYNN COLLIGAN, the Respondent, be ordered to pay a penalty of \$5,000.00 on or before December 31, 2020.

By initials below, I, LAURA LYNN COLLIGAN, 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, LAURA LYNN COLLIGAN, 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, LAURA LYNN COLLIGAN, acknowledge that I exercised 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 3, 17, 25 and 26 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. LAURA LYNN COLLIGAN is Ordered a Fine of \$5,000.00 payable to RECO on or before December 31, 2020.

[Released: September 18, 2020]

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

It is agreed as follows:

16. Laura Colligan (“Colligan”) is registered as a salesperson under the Real Estate and Business Brokers Act, 2002 (“Act”).
17. Colligan is employed as a salesperson by the brokerage Max Wright Real Estate Corporation, trading as Sotheby’s International Realty Canada (“Sotheby’s”).
18. Adam Brind (“Brind”) was, at all relevant times, employed as Broker of Record by the brokerage Core Assets Inc. (“Core”) and represented the buyer, Jelena Bogdanovic (“Buyer A”).
19. Said Ghojehbiglou (the “Seller”) held power of attorney for Sina Ghojehbigolou, who was the owner of the property known municipally as 117 Roxborough Drive, Toronto, Ontario (the “Property”).
20. On January 31, 2018, the Seller signed a Listing Agreement with Colligan on behalf of Sotheby’s to list the Property for sale at \$2,495,000.00.
21. The Listing Agreement indicated that the Seller agreed to pay a total commission of 4.0% of the sale of the price of the Property.
22. On February 6, 2018, at 3:05 p.m., Brind submitted an offer for the Property on behalf of Buyer A in the amount of \$2,400,000.00. The offer was irrevocable until 10:00 p.m. of February 6, 2018.
23. On February 6, 2018, Colligan submitted an offer to purchase the Property on behalf of Paula MacLellan and Andrew Grieve (“Buyer B”) in the amount of \$2,680,000.00, irrevocable until 9:00 p.m. on February 6, 2018.
24. The offer to purchase the Property submitted by Colligan on behalf of Buyer B was accepted.
25. On February 6, 2018, the Seller and Buyer B signed a handwritten document wherein they agreed that the total commission payable would be \$95,000.00 plus HST. The total commission payable prior to this agreement was 4.0% which equals \$107,200.00 of the sale price.

26. On February 7, 2018, the Seller signed an Amendment to the Listing Agreement to reflect the change in the amount of commission payable to Sotheby's.
27. Although Buyer A's representative indicated theirs was a final offer, Colligan remained obligated to comply with the Code of Ethics and inform Buyer A:
 - d) that she was representing a prospective buyer, Buyer B;
 - e) the number of offers submitted to the Seller; and
 - f) that she entered into an agreement to reduce her commission in order to complete the sale to the Seller.

SUMMARY OF AGREEMENTS

It is agreed that COLLIGAN failed to comply with the Code of Ethics as follows:

28. Colligan failed to inform all the competing buyers that she represented the Seller and Buyer B contrary to sections 3 and 17 of the Code of Ethics.
29. Colligan failed to inform all the competing buyers that she agreed to reduce her commission from \$107,200.00, which is 4.0% of the sale price, to \$95,000.00 plus HST, contrary to sections 3 and 25 of the Code of Ethics.
30. Colligan failed to inform all the competing buyers of the number of competing offers made toward the purchase of the Property contrary to section 3 and 26 of the Code of Ethics

It is agreed that COLLIGAN failed to comply with the following sections of the Code of Ethics:

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3. A registrant shall treat every person the registrant deals with in the course of a trade in real estate fairly, honestly and with integrity.

Nature of relationship

17. If a registrant represents or provides services to more than one buyer or seller in respect of the same trade in real estate, the registrant shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all buyers and sellers involved in that trade of the nature of the registrant's relationship to each buyer and seller.

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25. (1) If a brokerage has a seller as a client and an agreement between the brokerage and the seller contains terms that relate to a commission or other remuneration and that may affect whether an offer to buy is accepted, the

brokerage shall disclose the existence of and the details of those terms to any person who makes a written offer to buy, at the earliest practicable opportunity and before any offer is accepted.

(2) Subsection (1) applies, with necessary modifications, to a brokerage that has a seller as a customer, if the brokerage and the seller have an agreement that provides for the brokerage to receive written offers to buy.

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26. (1) If a brokerage that has a seller as a client receives a competing written offer, the brokerage shall disclose the number of competing written offers to every person who is making one of the competing offers, but shall not disclose the substance of the competing offers.

(2) Subsection (1) applies, with necessary modifications, to a brokerage that has a seller as a customer, if the brokerage and the seller have an agreement that provides for the brokerage to receive written offers to buy.

AGREED PENALTY

LAURA LYNN COLLIGAN, the Respondent, be ordered to pay a penalty of \$5,000.00 on or before December 31, 2020.

By initials below, I, LAURA LYNN COLLIGAN, 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, LAURA LYNN COLLIGAN, 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, LAURA LYNN COLLIGAN, acknowledge that I exercised 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 3, 17, 25 and 26 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:

2. LAURA LYNN COLLIGAN is Ordered a Fine of \$5,000.00 payable to RECO on or before December 31, 2020.

[Released: September 18, 2020]