



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 -

CHRISTINE LAURETTE SERAFINI

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, 4, 38 and 39 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$12,000.00 payable to RECO on or before June 30, 2020.

Successful completion of REIC 2270 “Consumer Behaviour & Negotiating” course and provide RECO with confirmation of successful completion on or before June 30, 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. Christine Laurette Serafini (“Serafini”) is registered as a salesperson under the Real Estate and Business Brokers Act, 2002 (“Act”). Serafini is employed by Brokerage A, a brokerage under the Act.
2. At all relevant times, Serafini was acting for Tenant A, Tenant B, Tenant C, and Tenant D (the “Tenants”) to lease a property.
3. Representative A (“Complainant”), at the relevant time, was a member of the Real Estate Council of Ontario (“RECO”). At the material time, he was registered as a salesperson at Brokerage B and was the Director and operating mind of Company A.
4. On or about May 15, 2018, the Complainant, representing Landlord A (“Landlord”) listed in the MLS (“Listing”) a residential condo townhouse property located at 1-A Street, City A (“Property”) for lease for \$1,995 monthly.
5. The MLS Listing dated May 15, 2018 stated the following:
 - a. “Condo bylaws allows single family occupancy only.” [SIC]
 - b. Credit check will be conducted;
 - c. Job letter required with offer; and
 - d. All deposit cheques are to be certified.
6. In or around May 18, 2018, Tenant C contacted Serafini to find a lease property on behalf of Tenant A, Tenant B, Tenant C, Tenant D, Tenant E and Tenant F.
7. The potential tenants disclosed that there were three (3) couples with budgetary restriction looking for a house to live together.
8. On May 22, 2018, Tenant C sent Serafini the following email:

“Just saw the lease agreement, and I’m so glad the landlords are on board; but I noticed that the second paragraph says “tenant agrees and warrants that they will be the sole occupants of this unit and as per any attached rental application”. We just want a little clarification; since we’re worried about the position this will put Tenant E and Tenant F in. We don’t want to have to hide their tenancy, or upset the landlord and neighbours, or be at risk of eviction. What can we expect if they notice? Would it be better to let them know about the additional tenants now? Have we got some right to sublet or share the residence that would override the lease?” [SIC].
9. Although Serafini did advise her perspective tenants to add and/or disclose all six (6) occupants via text, the trade documents that were submitted for consideration only had four (4) occupants listed.
10. On or about May 23, 2018, Tenant A, Tenant B, Tenant C and Tenant D (the “Tenants”) signed the lease agreement for the Property.
11. The third couple whose names were not mentioned in the lease agreement moved into the Property after the tenants who were listed on the lease took possession of the Property.

12. On June 1, 2018, when the Complainant visited the Property, he discovered that there were three (3) couples living at the Property. Serafini, the Landlord and the Condominium Board were informed of this fact.
13. Subsequently, the third couple Tenant E and Tenant F were requested to vacate the Property for violating a Condominium By-law on single family occupancy which allegedly only allows only two (2) couples in the Property.

SUMMARY OF AGREEMENTS

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

14. Serafini failed to advise her client(s) who were submitting a lease on the Property that only 2 couples are legally allowed to reside in the Property, contrary to Sections 3, 4 and 38 of the Code of Ethics.
15. Serafini had provided a Lease for the Property to the Complainant which only identified 4 of the 6 occupants who would be residing at the Property, contrary to Sections 4, 38 and 39 of the Code of Ethics.
16. Serafini failed to disclose to the Complainant that 2 of the 6 occupants were students, contrary to Section 39 of the Code of Ethics.

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

Fairness, honesty and integrity

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

Best interests

4. A registrant shall promote and protect the best interests of the registrant's clients.

Error, misrepresentation and fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

Unprofessional conduct, etc.

39. A registrant shall not, in the course of trading in real estate, engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as disgraceful, dishonourable, unprofessional or unbecoming a registrant.

AGREED PENALTY

CHRISTINE LAURETTE SERAFINI, the Respondent, be ordered to pay a penalty of \$12,000.00 on or before June 30, 2020.

In addition to the above penalty, Respondent must enroll in the REIC Consumer Behaviour & Negotiating Course and provide proof of successful completion of the course on or before June 30, 2020.

By initials below, I, CHRISTINE LAURETTE SERAFINI, 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, CHRISTINE LAURETTE SERAFINI, 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, CHRISTINE LAURETTE SERAFINI, 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, 4, 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. CHRISTINE LAURETTE SERAFINI is Ordered a Fine of \$12,000.00 payable to RECO on or before June 30, 2020.
2. CHRISTINE LAURETTE SERAFINI is Ordered to successfully complete REIC 2270 "Consumer Behaviour & Negotiating" course on or before June 30, 2020.

[Released: March 6, 2020]