



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 -

OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE)

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, 5, 6(1) (2) (a) (b) and 39 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$11,000.00 payable to RECO on or before March 11, 2020.

Successful completion of the Real Estate Institute of Canada (REIC) "REIC 2280: Legal Issues In Real Estate" course and provide RECO with confirmation of successful completion on or before March 11, 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. Olayinka Oduwole (“Oduwole”) is registered as a salesperson under the Real Estate and Business Brokers Act, 2002. Oduwole is and at all relevant times was employed by Brokerage A.
2. Buyer A, the complainant, is a consumer who was represented by Oduwole on behalf of Brokerage A under the terms of a Buyer Representation Agreement. A mutual friend introduced Buyer A to Oduwole at a local church.
3. Representative A is a mortgage agent with Brokerage B, located in 1-A Street, City A.
4. Representative B is a mortgage broker with Brokerage C, located in City B.
5. Representative C is a mortgage agent with Brokerage D, located in City B.
6. In or about March of 2017, Oduwole took Buyer A to view the property located at 2-A Street, City B (“Property”).
7. On or about March 21, 2017, Oduwole prepared an offer to purchase the Property (“Offer”) for Buyer A. The Offer stated an asking price of \$460,000.00, with a deposit of \$10,000.00. The proposed completion date was June 29, 2017.
8. On or about March 21, 2017, Oduwole continued to negotiate the purchase price on the Offer from \$460,000.00 to \$530,000.00. Buyer A was unsure if she would be able to afford the Property and asked Oduwole whether she would be approved for a mortgage. Oduwole assured Buyer A that she has helped clients to arrange mortgages to purchase properties in the past.
9. Buyer A’s offer of \$530,000.00 was accepted by the sellers and the Offer became an unconditional Agreement of Purchase and Sale, with a deposit of \$10,000.00 and a completion date of June 29, 2017.
10. Oduwole introduced Buyer A to Representative A for the purpose of obtaining mortgage financing for the purchase. Oduwole and Representative A demanded \$4,000.00 to prepare mortgage documents, and Buyer A agreed to pay Representative A \$3,000.00 to prepare the mortgage application.

11. Oduwole had a change of heart and explained to Buyer A, that because Representative A had only recently arrived in Canada, it would be best to seek another mortgage broker.
12. On or about March 28, 2017, Oduwole introduced Buyer A to Representative B in City B. Oduwole also informed Buyer A that she had provided Representative B with all the details necessary for Buyer A to apply for a mortgage, and that Representative B would assist in obtaining mortgage financing.
13. On or about April 4, 2017, Oduwole informed Buyer A that Representative B had failed to return Oduwole's phone calls and that another mortgage broker, Representative C, was available to meet Buyer A to discuss obtaining mortgage financing for the Property.
14. On or about April of 2017, Oduwole scheduled a meeting with Buyer A and Representative C. At the meeting, Oduwole and Representative C insisted that Buyer A pay \$2,500.00 as a reasonable cost to obtain a mortgage. Buyer A paid the \$2,500.00 via e-transfer to Oduwole, who in turn paid Representative C.
15. On or about May 29, 2017, Oduwole sent the following text message to Buyer A:

*“Good evening ma,
Please send me the following for your brother and yourself. Thank you.
Notice of assessment for 2015 and 2016. 2 current paystubs each.
SIN card for yourself. [SIC]*
16. Buyer A called Oduwole several times inquiring about whether her mortgage application had commenced. Oduwole confirmed she has worked with Representative C several times and that she had confidence in the mortgage financing being approved.
17. On or about June 13, 2017, Oduwole sent the following text message to Buyer A:

*“Hello madam,
The broker just spoke to me now that everything is ready, but he's been busy with meetings. He said for sure tomorrow or Thursday at the latest you'll sign the paperwork. Just to give you an update. Thank you and good night.”*
18. On or about June 14, 2017, Oduwole sent the following text message to Buyer A:

"Hello madam,

The broker wants you and your brother to come tomorrow afternoon at 2pm to the Bank A at the City C City Centre. Please come along with your driver's licence, your SIN card and a void cheque. Thank you." [SIC]

19. On or about June 14, 2017, Buyer A, her husband and her son attended at the Bank A City C City Centre Branch for the purposes of signing the mortgage application. Buyer A learnt that no mortgage application had been prepared on her behalf.

20. On or about June 27, 2017, Oduwole called Buyer A's husband and mentioned that their mortgage application had been rejected. Oduwole suggested working with yet another mortgage broker to obtain mortgage financing.

21. On or about June 28, 2017, Oduwole sent the following text message to Buyer A:

"Individual A will like to see you with daddy today. When are you available so I can let him know. He wants you to come with all your original documents." [SIC]

22. On or about June 30, 2017, Oduwole sent the following text message to Buyer A:

"The broker just called me. He said they can close your property next Friday. Please let's do this. It will save us a lot of troubles. No loss of money and you get the keys to your house." [SIC]

23. On or about June 30, 2017, Buyer A sent the following text message to Oduwole:

"I don't have 10% which I always telling you right from day one and you know it. I don't want another addition debt on me pls." [SIC]

24. On or about July 18, 2017, Oduwole sent the following text message to Buyer A:

*"Good morning madam,
The money from Individual B has been sent to you." [SIC]*

25. The transaction did not close on June 29, 2017 because Buyer A was unable to obtain mortgage financing. The \$10,000.00 deposit is currently held in trust with the listing brokerage.
26. On or about July 27, 2017, Oduwole sent an email to Buyer A explaining why the Property did not close. Following is an excerpt from the email:

“You will understand that what happened is not in the best interest of anyone involved most especially the sellers who will now need to sell their house at the low current market value... This means, you’ll sign the release of the deposit of \$10,000.00, which is currently with the listing brokerage to the sellers and the deal will be closed.” [SIC]

27. On August 31, 2017, Buyer A filed a complaint with RECO.

SUMMARY OF AGREEMENTS

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

1. Oduwole failed to act with fairness, honesty, competence and failed to protect her clients’ best interests in failing to counsel the complainant to add a financing clause before they secured a mortgage for the Property and/or not inserting into the APS the appropriate clause making the APS conditional upon satisfactory review, in violation of sections 3, 4 and 5 of the Code of Ethics (the “Code”).
2. Oduwole failed to demonstrate reasonable knowledge and judgment, in her capacity as a salesperson, when she conveyed an opinion to the complainant that they would qualify for a mortgage, particularly when the complainant stated she was unable to qualify for a mortgage. This conduct is in violation of section 6 of the Code.
3. Oduwole engaged in an act or omission that is reasonably regarded as disgraceful, dishonourable, unprofessional or unbecoming a registrant, in violation of section 39 of the Code.

It is agreed that Oduwole 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. O. Reg. 580/05, s. 3.

Best interests

4. A registrant shall promote and protect the best interests of the registrant's clients. O. Reg. 580/05, s. 4.

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services. O. Reg. 580/05, s. 5.

Providing opinions, etc.

6. (1) A registrant shall demonstrate reasonable knowledge, skill, judgment and competence in providing opinions, advice or information to any person in respect of a trade in real estate. O. Reg. 580/05, s. 6 (1).

(2) Without limiting the generality of subsection (1) or section 5,

(a) a brokerage shall not provide an opinion or advice about the value of real estate to any person unless the opinion or advice is provided on behalf of the brokerage by a broker or salesperson who has education or experience related to the valuation of real estate; and

(b) a broker or salesperson shall not provide an opinion or advice about the value of real estate to any person unless the broker or salesperson has education or experience related to the valuation of real estate. O. Reg. 580/05, s. 6 (2).

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. O. Reg. 580/05, s. 39.

AGREED PENALTY

OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE), the Respondent, be ordered to pay a penalty of \$11,000.00 on or before March 11, 2020.

By initials below, I, OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE), acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.

[Respondent's Initials]

In addition to the above penalty, I, OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE), must enroll in the Legal Issues in Real Estate Course (REIC 2280) provided by the Real Estate Institute of Canada (REIC), and provide proof of successful completion of the course on or before March 11, 2020.

[Respondent's Initials]

By initials below, I, OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE), 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, OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE), 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, 5, 6(1) (2) (a) (b) 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. OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE) is Ordered a Fine of \$11,000.00 payable to RECO on or before March 11, 2020.
2. OLAYINKA ODUWOLE (a.k.a. OLA ODUWOLE) is Ordered to successfully complete the Legal Issues in Real Estate Course (REIC 2280) provided by the Real Estate Institute of Canada (REIC), and provide proof of successful completion of the course on or before March 11, 2020.

[Released: June 28, 2019]