



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 -

GLENN SIMPSON

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

ORDER: Fine of \$17,000.00 payable to RECO on or before September 10, 2020.

Successful completion of the Real Estate Institute of Canada (REIC) "REIC 2600: Ethics in Business Practice" course and provide RECO with confirmation of successful completion on or before September 10, 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 September 10, 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

First Complaint – File #2018110330

1. At the relevant times, Simpson was employed by Brokerage A.
2. Representative A is registered as a broker to trade in real estate under the Act. At all relevant times, Representative A was employed by Brokerage B, also registered under the Act.
3. Representative B is registered as a broker to trade in real estate under the Act. At all relevant times, Representative B was employed by Brokerage C also registered under the Act.
4. Seller A, Seller B and Seller C (the “Sellers”) are the owners of a vacant condo located at 1-A Street, Unit 1, City A (“the Property”).
5. Representative A referred the Sellers to Representative B. On October 31, 2018, Representative B listed the Property for lease on the Multiple Listing Service®.
6. Simpson booked an appointment to show the Property on November 2, 2018, between 4:00 p.m. and 5:00 p.m. Simpson was also provided with a lock box code to gain entry into the Property.
7. On November 10, 2018, the Sellers arrived at their Property at approximately 1:45 p.m., and noticed that the washing machine and dryer were in use.
8. On November 10, 2018, at approximately 2:30 p.m., Simpson used the lock box code to gain access into the Property. Simpson, being startled after seeing the occupants inside, shut the door and left. Simpson however remained at the Property and the Seller took his photo.
9. The Sellers asked Simpson for an explanation. According to the Sellers, Simpson stated his name was “Individual A – 555-555-5555”. Simpson then left the unit. The Sellers confirmed with Representative A that no showings were scheduled for November 10, 2018.
10. Representative A and Representative B filed a complaint with RECO regarding Simpson’s conduct.

11. On December 10, 2018, Simpson provided a response to RECO as follows:

“On Saturday, Nov 10 about 2:20 pm I attempted to view unit 1-A Street a second time for my client... I apologize for mistakenly arriving at the unit without showing confirmation.” [SIC]

“I fully understand now the owner’s being very upset and their reaction when I opened the door to the unit. When I did, I was confused asking myself, “who are these people?” Fully understandable now they immediately confronted me before I knew what was happening.” [SIC]

Second Complaint

12. At the relevant times, Simpson was employed as a salesperson by the Brokerage A.

13. At the relevant times, Representative C was employed by Brokerage D.

14. Seller A (the “Seller”) is the owner of a vacant condo located at 1-A Street, Unit 2, City A.

15. On March 31, 2019, Representative C, on behalf of Brokerage D, listed Unit 2 for lease at \$2,800.00 per month.

16. Individual B, a witness and participant in certain subject events, was at all relevant times employed as cleaning staff in the building where Unit 2 is located.

17. Simpson booked an appointment to show Unit 2 on April 19, 2019, between 12:00 p.m. and 1:00 p.m. Simpson was also provided with a lock box code to gain entry into Unit 2.

18. On April 19, 2019, at approximately 11:30 a.m., Individual B and Simpson entered the elevator at 1-A Street. Individual B exited on the 13th floor and Simpson was headed to the 20th floor with a duffel bag. Individual B then re-entered the elevator and exited on the 20th floor where she witnessed Simpson leaving through the stairwell where the lock box was located, and then Simpson entering Unit 2. Individual B approached Simpson and asked what he was doing in Unit 2. Simpson replied that he was visiting a friend.

19. At approximately 11:40 a.m., Individual B informed the Seller that she witnessed Simpson enter Unit 2. Individual B and the Seller proceeded to Unit 2, checked the lock box and found the key was returned.

20. The Seller removed the key from the lock box, entered Unit 2 and saw the washing machine was in use. She alerted building security and contacted City A Police Services.

21. On April 19, 2019, the Seller contacted Representative C and informed her of the situation.
22. At approximately 5:00 p.m., Representative C provided the Seller with a feedback form ("Form") that Simpson completed. On the Form, Simpson wrote that his client was "not interested" in the unit as the price was "too high." The Form continued to state the following:
- "My young female client really wants a balcony, thought she would settle for the view. She was also spooked that it's vacant (confirmed by the agent Representative C) but there was laundry in the washer that the agent says isn't the landlords." [sic]*
23. On April 19, 2019, Representative C behalf of Brokerage D, suspended the listing for Unit 2, so that the Seller could address Simpson's conduct.
24. On May 17, 2019, Representative C, on behalf of Brokerage D, re-listed Unit 2 for \$2,500.00 per month. Approximately thirty (30) days elapsed before the Seller was comfortable to re-list Unit 2.
25. On May 28, 2019, Unit 2 was leased for \$2,400.00 per month.
26. On June 13, 2019, Simpson provided a response to RECO as follows:
- "Last year I moved to 1-A Street after a messy separation where I'm having repeated problems with my washer and dryer in this brand-new condo building. I shamefully admit to using the washing machine in vacant unit 1 on November 10, 2018 and in vacant unit 2 on April 19, 2019. Even though both units are vacant at the time, there is no excuse for what I did. This is unacceptable behaviour for a realtor..."*

SUMMARY OF AGREEMENTS

First Complaint

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

27. Simpson entered the Property at 1-A Street, Unit 1, without obtaining a booking confirmation with Brokerage C and/or Representative B which is a violation of Sections 3, 38 and 39 of the Code of Ethics.
28. Simpson used his licence as a Real Estate salesperson to gain access and show the Property but instead used the Property's laundry machine to his benefit which is a violation of Sections 3, 38 and 39 of the Code of Ethics.

29. Simpson put the Seller's Property at risk by using the laundry machine and leaving it running for the duration, increasing the risk of liability which is a violation of Sections 3, 38 and 39 of the Code of Ethics.

It is agreed that Simpson 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.

Error, misrepresentation, 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.

Second Complaint

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

30. Simpson used his licence as a Real Estate salesperson to gain access to Unit 2 to show the Property to a client but instead used the Property's laundry machine to his benefit which is a violation of Sections 3, 38 and 39 of the Code of Ethics.

31. Simpson put the Seller's Property at risk by using the laundry machine and leaving it running for the duration, increasing the risk of liability, which is a violation of Sections 3, 38 and 39 of the Code of Ethics.

32. Simpson created a situation where the Seller had to suspend the listing for Unit 2 and then delay re-listing it, a potential for loss of rental income which is a violation of Sections 3, 38 and 39 of the Code of Ethics.

It is agreed that Simpson 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.

Error, misrepresentation, 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

GLENN SIMPSON, the Respondent, be ordered to pay a penalty of \$17,000.00 on or before September 10, 2020.

In addition to the above penalty, the Respondent must enrol in the "Ethics in Business Practice" course provided by the Real Estate Institute of Canada (REIC), and provide proof of successful completion of the course (REIC 2600) on or before September 10, 2020.

In addition to the above penalty, the Respondent must enrol in the "Legal Issues In Real Estate" course provided by the Real Estate Institute of Canada (REIC), and provide proof of successful completion of the course (REIC 2280) on or before September 10, 2020.

By initials below, I, GLENN SIMPSON, 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, GLENN SIMPSON, 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, GLENN SIMPSON, 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 3, 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. **GLENN SIMPSON** is Ordered a Fine of \$17,000.00 payable to RECO on or before September 10, 2020.
2. **GLENN SIMPSON** is Ordered to successfully complete the Real Estate Institute of Canada (REIC) "REIC 2600: Ethics in Business Practice" course and provide RECO with confirmation of successful completion on or before September 10, 2020.
3. **GLENN SIMPSON** is Ordered to successfully complete 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 September 10, 2020.

[Released: December 5, 2019]