



Real Estate Council of Ontario

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**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 -**

**RAVINDER DUGGAL (trade name RICHARD DUGGAL)**

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**DISCIPLINE DECISION AND REASONS FOR DECISION**

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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:

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**FINDINGS:** In violation of Sections 3, 4, 5, 21 and 38 of the *REBBA 2002* Code of Ethics.

**ORDER:** Fine of \$7,000.00 payable to RECO on or before December 20, 2019.

**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. Representative A is registered under the *Real Estate and Business Brokers Act, 2002* ("Act") as a salesperson.

2. Ravinder (Richard) Duggal (“Duggal”) is registered under the *Real Estate and Business Brokers Act, 2002* (“Act”) as a salesperson.
3. Representative B is registered under the *Real Estate and Business Brokers Act, 2002* (“Act”) as a salesperson.
4. At all material times, Representative A and Duggal were employed with Brokerage A
5. At all material times, Representative B was employed with Brokerage B.

### **1-A Crescent**

6. On June 1, 2015, Seller A (“Seller”) entered into a Listing Agreement with Brokerage A for the sale of the property located at 1-A Crescent, City A (“Property”). Representative A was the listing agent and the Seller’s representative.
7. At the time of entering into the Listing Agreement, the Seller identified his occupation to Representative A as a developer with Company A.
8. The Listing Agreement specifically provided Brokerage A with the right to offer for sale the “property with building permits.” The Seller provided Representative A with drawings and other items related to the Property at the time of entering into the Listing Agreement (the “Drawings”).
9. Duggal joined Representative A as a listing agent for the Property.
10. The MLS listing for the Property contained the following statement, initially under Client Remarks and later moved to Brokerage Remarks:

*“Fantastic Opportunity to Build A Luxury Home. Complete With Architectural Drawings and Building Permits For 7,000 Sq’ Estate.”*
11. The Property was sold on August 18, 2015 to a Buyer who was represented by Representative B in the negotiation of the Agreement of Purchase and Sale (“Agreement”).

12. Representative B was aware prior to negotiating the Agreement that the Buyer's interest in the Property was for the purposes of demolishing the existing structure and new-build construction.
13. The Agreement provided for a closing date of August 31, 2015 and included a condition relating to the securing of financing by the Buyer.
14. The Agreement of Purchase and Sale did not contain any provisions or conditions pertaining to architectural drawings or building permits.
15. The Agreement of Purchase and Sale was later amended a number of times to, among other things, push back the closing date. These amendments were prepared by Representative B on behalf of the buyers.
16. When the Buyer received the drawings, it was determined that there were no buildings permits for the Property and that only preliminary architectural drawings existed rather than full architectural drawings required for the application for and issuance of a building permit.
17. The Buyer ultimately severed the Property and moved forward with building new homes on each severed portion.

#### SUMMARY OF AGREEMENTS

It is agreed that RAVINDER DUGGAL breached the following section of the Code of Ethics:

18. In including the existence and inclusion of architectural drawings and building permits as part of the listing for the Property when such items did not exist and/or were not included, Duggal breached Sections 3, 5, and 38 of the Code of Ethics.
19. In failing to confirm the existence of architectural drawings and building permits for the Property, Duggal breached Sections 4, 5, 21 and 38 of the Code of Ethics.

## AGREED PENALTY

RAVINDER DUGGAL (trade name RICHARD DUGGAL), the Respondent, be ordered to pay a penalty of \$7,000.00 on or before December 20, 2019.

By initials below, I, RAVINDER DUGGAL (trade name RICHARD DUGGAL), 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, RAVINDER DUGGAL (trade name RICHARD DUGGAL), 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, RAVINDER DUGGAL (trade name RICHARD DUGGAL), 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, 21 and 38 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. RAVINDER DUGGAL (trade name RICHARD DUGGAL) is Ordered a Fine of \$7,000.00 payable to RECO on or before December 20, 2019.

*[Released: November 11, 2019]*