

IN THE MATTER OF

The Registrar, *Trust in Real Estate Services Act, 2002*, S.O. 2002, Chapter 30,
Schedule C, as amended (the “**Act**”)

- and -

The Registration of **KRISTIN CRIPPS** as a Broker under the Act

- and -

The Registration of **2639026 ONTARIO INC.** (c.o.b. as **CRIPPS REALTY**) as a Brokerage
under the Act

NOTICE OF PROPOSAL TO REVOKE REGISTRATION

WHEREAS Kristin Cripps (“**Cripps**”) is registered as a broker under the Act;

AND WHEREAS 2639026 Ontario Inc., c.o.b. as Cripps Realty (“**Cripps Realty**”) is registered as
a brokerage under the Act;

AND WHEREAS Section 13 of the Act provides that the Registrar may revoke a registration if, in the Registrar's opinion, a registrant is not entitled to registration under Section 10 of the Act;

AND WHEREAS Section 14 of the Act provides that where the Registrar proposes to revoke the registration of a registrant, the Registrar shall serve notice of the proposal on the registrant;

AND WHEREAS in the Registrar's opinion, Cripps and Cripps Realty are not entitled to registration under Section 10 of the Act and the Registrar proposes to revoke the registration of Cripps as a broker, and to revoke the registration of Cripps Realty as a brokerage, for the reasons that follow;

TAKE NOTICE THAT PURSUANT TO SECTIONS 13 AND 14 OF THE ACT, THE REGISTRAR IS PROPOSING TO REVOKE THE REGISTRATION OF CRIPPS AS A BROKER AND THE REGISTRATION OF CRIPPS REALTY AS A BROKERAGE.

A. REASONS

1. Cripps is not entitled to registration on the following grounds:
 - a) pursuant to Section 10(1)(a)(ii) of the Act because, in the Registrar's opinion, Cripps past conduct, and/or the past conduct of an interested person in respect of Cripps (namely Cripps Realty), affords reasonable grounds for belief that she will not carry on business in accordance with law and with integrity and honesty;
 - b) pursuant to section 10(1)(a)(i) of the Act, because, having regard to Cripps' financial position and/or the financial position of an interested person in respect of Cripps (namely Cripps Realty), she cannot reasonably be expected to be financially responsible in the conduct of business;
 - c) pursuant to section 10(1)(c) of the Act, because Cripps, and/or an interested party in respect of Cripps (namely Cripps Realty), is carrying on activities that are in contravention of the Act or its regulations;
 - d) pursuant to section 10(1)(d) of the Act, because Cripps is in breach of a condition of registration; and

- e) pursuant to Section 10(1)(g) of the Act because, in the Registrar's opinion, Cripps' continuing registration would be contrary to the public interest.
2. Cripps Realty is not entitled to registration on the following grounds:
- a) pursuant to section 10(1)(b)(i) of the Act, because, having regard to Cripps Realty's financial position, and/or the financial position of an interested person in respect of the corporation (namely Cripps), Cripps cannot reasonably be expected to be financially responsible in the course of its business;
 - b) pursuant to section 10(1)(b)(ii) of the Act, because, having regard to the financial position of its officers or directors or an interested party in respect of its officers or directors (namely Cripps), Cripps Realty cannot reasonably be expected to be financially responsible in the conduct of its business;
 - c) pursuant to section 10(1)(b)(iii) of the Act, because the past conduct of Cripps Realty's officers or directors and/or of an interested person in respect of the corporation (namely Cripps) affords reasonable grounds for belief that its business will not be carried on in accordance with the law and with integrity and honesty;
 - d) pursuant to section 10(1)(c) of the Act, because Cripps Realty, and/or an interested party in respect of Cripps Realty (namely Cripps), is carrying on activities that are in contravention of the Act or its regulations;
 - e) pursuant to section 10(1)(d) of the Act, because Cripps Realty is in breach of a condition of registration; and
 - f) pursuant to Section 10(1)(g) of the Act because, in the Registrar's opinion, Cripps Realty's continuing registration would be contrary to the public interest.

B. PARTICULARS

IT IS ALLEGED AS FOLLOWS:

3. Cripps is registered as a broker with RECO. Cripps is also the Broker of Record and sole shareholder of Cripps Realty. She was first registered with the Real Estate Council of Ontario ("**RECO**") in 2009.

4. Cripps Realty is registered as a brokerage with RECO. It was first registered in 2019 and operates out of its offices in Cookstown, Ontario.

Issues with the RETA Account

5. All brokerages are required to have and maintain a real estate trust account (“**RETA**”), the purpose of which is to hold consumer deposit funds relating to real estate transactions.
6. The Act sets out several requirements relating to the operation of a RETA – including a requirement that monthly reconciliation statements be prepared. Reconciliation statements review the status of the funds in the RETA and identify any issues with the account, including any shortfalls in trust monies.
7. Under the Act, the Broker of Record for a brokerage is required to review and sign-off on the monthly reconciliation of the RETA.
8. RECO conducted an inspection of Cripps Realty in 2021.
9. The inspection identified issues with the brokerage’s ability to properly administer the RETA and maintain accurate records.
10. Issues identified at this time included incomplete monthly reconciliations, improper/unauthorized disbursements from the RETA, and shortages in the RETA.

POA Prosecution

11. RECO laid charges against Cripps and Cripps Realty pursuant to the *Provincial Offences Act* in October 2022. The charges were based on alleged contraventions of the Act relating to the handling of the RETA.
12. The charges were resolved by way of guilty pleas made in February 2023.
13. In particular, Cripps pleaded guilty to the charge of failing to ensure the brokerage prepared a monthly reconciliation statement and Cripps Realty pleaded guilty to making improper disbursements from the RETA.
14. Cripps and Cripps Realty were each fined \$10,000 and given six (6) months to pay.
15. The fine for the brokerage remains unpaid.

Voluntary Conditions

16. On February 9, 2023, Cripps entered into voluntary conditions on behalf of herself and her brokerage. Among other things, the agreed-upon conditions included a requirement for Cripps and Cripps Realty to provide quarterly reports to RECO regarding the RETA (the “**Condition**”).
17. The quarterly reports were to include account statements and signed RETA reconciliation statements verified by a Chartered Professional Accountant.
18. Cripps and Cripps Realty have repeatedly failed to comply with this condition of registration.
19. The last quarterly report submitted to RECO was in September 2023.
20. The required quarterly reports since that time remain outstanding up to the present – this despite RECO advising Cripps of the lack of compliance with the Conditions.
21. Cripps did provide RECO with a number of documents relating to the RETA via email on February 16, 2025, however the materials provided were not in accordance with the Condition, including not being verified by a Chartered Professional Accountant.

Unclaimed Trust Monies

22. In a brokerage inspection carried out by RECO in March 2024, it was identified that Cripps Realty had unclaimed trust monies in its RETA that were required to be provided to RECO under the provisions of the Act.¹
23. RECO directed to Cripps and Cripps Realty to comply with the Act’s provisions regarding unclaimed trust monies.
24. The unclaimed trust monies were not provided to RECO until on or around February 18, 2025.

¹ See Section 27 of the Act.

Recent Inspection

25. Given the continuing issues with the operation of Cripps Realty, an inspection was carried out by RECO on March 3, 2025.
26. The inspection identified continuing issues with the operation of the brokerage and the RETA, including improper transfers of funds from the RETA to Cripps' personal account.

C. RIGHT TO A HEARING

Take notice that Section 14 of the Act provides that a registrant is entitled to a hearing by the Licence Appeal Tribunal (the "**Tribunal**") in respect of a proposal by the Registrar to revoke registration if **WITHIN 15 DAYS** after service of this Notice of Proposal (deemed to be on the third day after mailing by registered mail), the registrant mails or delivers notice in writing to the following parties that a hearing is required:

TO: The Registrar
Licence Appeal Tribunal
15 Grosvenor St., Ground Floor
Toronto, ON M7A 2G6

AND TO: The Registrar
Real Estate Council of Ontario
1400-3300 Bloor St. W, West Tower
Toronto, ON M8X 2X2

Section 14(4) of the Act provides that where the registrant does not require a hearing by the Tribunal, the Registrar may carry out the proposal and that any person who, while not registered, trades in real estate is, subject to exceptions enumerated in the Act, in contravention of the Act and is liable to prosecution.

Section 14(5) of the Act provides that where a registrant requires a hearing by the Tribunal, the Tribunal shall appoint a time for and hold the hearing and may by order direct the Registrar to carry out the Registrar's proposal, or may substitute its opinion for that of the Registrar and the Tribunal may attach conditions to its order or to a registration.

If a registrant requires a hearing regarding this proposal and further wishes to be represented by a lawyer or agent at the hearing, it is strongly advised that the registrant make these arrangements as soon as possible. The Registrar reserves the right to oppose any request by the registrant for an adjournment of the hearing in order for the registrant to make such arrangements.

D. NOTICE OF MOTION FOR COSTS

If a hearing is requested as described in Section C and, at any time during the course of proceedings arising from this request, the Registrar believes the registrant has acted unreasonably, frivolously, vexatiously or in bad faith, the Registrar will make a request for an award of costs from the Tribunal, such costs to be paid by the registrant.

E. APPLICATION OF THE STATUTORY POWERS PROCEDURE ACT

The *Statutory Powers Procedure Act*, R.S.O. 1990, Chapter S.22 as amended (“**SPPA**”) applies to the Tribunal. Section 8 of the SPPA provides as follows:

8. Where the good character, propriety of conduct or competence of a party is an issue in a proceeding, the party is entitled to be furnished prior to the hearing with reasonable information of any allegations with respect thereto.

If a hearing is held as required by the Registrant, the Registrar states that the good character, propriety of conduct or competence of the registrant shall be an issue in the hearing and the Registrar has provided herein reasonable information of allegations with respect thereto.

F. FURTHER PARTICULARS/SUPPLEMENTAL NOTICE

The registrant may be sent further or other particulars in respect of any matter herein or in respect of any other matter including further grounds for revocation of registration.

June 20, 2025

Date

Joseph Richer, Registrar
Trust in Real Estate Services Act, 2002