

**IN A MATTER BEFORE THE DISCIPLINE COMMITTEE OF THE REAL ESTATE COUNCIL OF  
ONTARIO**

**BETWEEN**

REAL ESTATE COUNCIL OF ONTARIO (“**RECO**”)

Applicant

AND

LORRAINE CONNIE PRATA registered as LORRAINE PRATA

Respondent

**ALLEGATION STATEMENT**

**WHEREAS** the respondent, **Lorraine Prata**, is registered as a salesperson under the *Trust in Real Estate Services Act, 2002* (“**Act**”);

**AND WHEREAS** section 20 of the Act provides that if the Registrar is of the opinion, whether as a result of a complaint or otherwise, that a registrant has contravened any provision of the Act or of a regulation under the Act, the Registrar may refer the matter in whole or in part to the Discipline Committee of RECO (“**Discipline Committee**”);

**AND WHEREAS** section 21 of the Act provides that the Discipline Committee shall hear and determine whether a registrant has contravened any provision of the Act or of a regulation under the Act;

**THEREFORE**, take notice that pursuant to section 20 of the Act, the Registrar hereby refers this matter to a hearing before the Discipline Committee based on the allegations set out herein.

## A. PARTICULARS

### It is alleged as follows:

1. At all relevant times, Prata was employed at Brokerage A (the “**Brokerage**”).
2. At all relevant times, Representative A (“Representative A”) was employed at Brokerage B (“**Brokerage B**”).
3. At all relevant times, Seller A and Seller B (*the* “**Sellers**”) owned a property located at Street A in City A, Ontario (*the* “**Property**”) and had entered into a Seller Representation Agreement (the “**SRA**”) with Brokerage A to list the property for sale. Prata was named in the SRA as the designated representative.
4. At all relevant times, Buyer A and Buyer B (*the* “**Complainants**”) were the buyers of the Property with Representative A as their designated representative.
5. On or around February 15, 2024, Prata uploaded a listing for the Property on the local listing service board with an asking price of \$849,000 (*the* “**Listing**”). Included in the Listing was information that the Property was “ApX Sqft: 2000-2500” and that the dining room, living room, and all bedrooms had hardwood flooring. Additionally, the client remarks section of the Listing stated, “Featuring hardwood floors”.
6. At all relevant times, attached to the Listing was a floor plan of three floors of the home, including the finished walk-out basement, which stated the total scanned area was 2125 Square feet. The remarks on the floor plan stated: “Measurements are calculated by Company A. Deemed highly reliable but not guaranteed”.
7. On or around February 17, 2024, the Sellers and the Complainants entered into an Agreement of Purchase and Sale (*the* “**APS**”) for the Property. The terms of the APS included a purchase price of \$900,000, a \$43,000 deposit and a transaction completion date of May 2, 2024.
8. On or around April 29, 2024, the Complainants attended a second scheduled buyer walkthrough appointment at the Property with Representative A. During this appointment it came to the Complainants’ notice that the flooring in the bedrooms of the Property was not hardwood as indicated in the Listing.
9. On or around 5:17p.m. on April 29, 2024, while still at the Property, Representative A sent a text message to Prata, inquiring about the material of the flooring in the bedrooms: “Final

question, do you know what type of flooring is in the bedrooms? It says hardwood on the listing but I believe it is laminate". Prata responded: "Bedrooms are laminated main floors are hardwood".

10. On or around May 2, 2024, the transaction completed successfully.

11. On or around November 15, 2024, the Complainants received a Property Assessment Notice from the Municipal Property Assessment Corporation which confirmed that the square footage of the Property was 1,510 square feet.

12. Prata received \$20,250 in commission upon completion of the transaction.

## **B. SUMMARY OF ALLEGATIONS**

**It is alleged that Prata failed to comply with the Act and/or Regulations as follows:**

- A. Prata included inaccurate information in a listing that the flooring in the Property, including the bedrooms, was hardwood when she knew it was laminate, contrary to sections 1, 2, 5(a) and 9(2) of the Code of Ethics.
- B. Prata included inaccurate information in a listing that the square footage for the Property was 2000-2500 square feet when it was 1,510, contrary to sections 1, 2, 5(a) and 9(2) of the Code of Ethics.

**It is alleged that Prata failed to comply with the following sections of the Code of Ethics:**

Integrity, honesty, good faith, etc.

1. In carrying on business, a registrant shall act with courtesy, honesty, good faith and integrity in relation to every person the registrant deals with.

Unprofessional conduct, etc.

2. A registrant shall not engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as,

- (a) being disgraceful, dishonourable, unprofessional or unbecoming a registrant; or
- (b) likely to bring the sector into disrepute or to undermine public confidence the regulation of registrants under the Act.

Misrepresentation, etc.

5. In carrying on business, a registrant,

- (a) shall make best efforts to ensure that any representations are accurate and are not misleading; and

Conscientious and competent service, etc.

9. (2) Subject to section 10, in carrying on business, a registrant shall demonstrate reasonable knowledge, skill, judgment and competence in providing opinions, advice, assistance or information to any person.

**C. APPLICATION OF THE STATUTORY POWERS PROCEDURE ACT**

The *Statutory Powers Procedure Act*, R.S.O. 1990, Chapter S.22 (“**SPPA**”), as amended, applies to matters before the Discipline Committee. 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.

RECO states that propriety of conduct or competence shall be an issue in the hearing and RECO has provided herein information of the allegations with respect thereto.

**D. FURTHER PARTICULARS / ALLEGATIONS**

RECO may send further or other particulars or allegations relevant to this matter or the allegations set out herein. RECO may rely upon such other matters that arise during a hearing of this complaint and that the Discipline Committee sees fit to consider.

Lisa Key, Registrar (interim)  
*Trust in Real Estate Services Act, 2002*

Date February 2, 2026