



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 -**

**SHANNON GREEN**

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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 2, 3, 4, 5, 10, 15, 18, 37(1), 38 and 39 of the *REBBA 2002* Code of Ethics.

**ORDER:** Fine of \$15,000.00 payable to RECO on or before March 11, 2019.

**WRITTEN REASONS:** *attached*

**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**

1. Green is registered to trade in real estate as a salesperson under the Act and is employed by Brokerage A, a brokerage under the Act.

2. Green had purchased a residential property located at 1-A Street, City A (the "Property") with a closing date of May 31, 2015. The Property was purchased as an investment property to be renovated and resold.
3. On or about June 19, 2015; an offer was accepted by the Complainant to purchase the Property, after renovations, for \$225,000.00, with a closing date of September 30, 2015. An Agreement of Purchase and Sale ("APS") was drafted by Green and executed by all parties.
4. The closing date on the APS was extended, past the September 30, 2015 closing date, to accommodate renovation delays.
5. On or about January 3, 2016, Green had a meeting with the Complainant to discuss a new purchase price for the Property. Green informed the Complainant that the new purchase price, post renovations, was \$257,000.00, as the Property renovations went over budget. The Complainant could not close at the new price and Green proceeded to list the Property for \$279,900.00.
6. Green did not submit the completed APS that was signed in June 2015 to Brokerage A nor did he accept a deposit on the Property to be deposited in Brokerage A's trust, thereby breaching sections 5, 37(1) and 39 of the Code of Ethics.
7. Green failed to document the services that he would perform for the Complainant, in writing, namely with respect to the renovation budget for the Property, thereby breaching section 2 with reference to sections 10 and 15 of the Code of Ethics.
8. On January 3, 2016, Green unilaterally changed the purchase price on the executed APS from \$225,000.00 to \$257,000.00, without the consent of the Complainant as he claimed that the Property renovation budget had been exceeded. The Complainant could not afford the new price and therefore could not close. Green had put his personal interest before his client's best interest. Green thereby breached sections 3, 4, 5, 18, 38 and 39 of the Code of Ethics.

#### AGREED PENALTY

SHANNON GREEN, the Respondent, be ordered to pay a penalty of \$15,000.00 due on or before March 11, 2019.

By initials below, I, SHANNON GREEN, 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, SHANNON GREEN, 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, SHANNON GREEN, 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 2, 3, 4, 5, 10, 15, 18, 37(1), 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. SHANNON GREEN is Ordered a Fine of \$15,000.00 payable to RECO on or before March 11, 2019.

*[Released: March 20, 2018]*